SENATE—*Wednesday, March 2, 2005*

The Senate met at 9:15 a.m. and was called to order by the Honorable SAM BROWNBACK, a Senator from the State of Kansas.

PRAYER

The Chaplain, Dr. Barry C. Black, offered the following prayer:

Let us pray.

O God, the Author of peace and lover of concord, we thank You for Your goodness and loving kindness. We praise You for our creation, preservation, and all of the blessings of this life.

Guide and govern the Members of this body by Your Holy Spirit. In the heat of their work help them not to forget You but to remember that Your power is available for every challenge. Teach them how to serve You as they should. Help them not to strive primarily for success but for faithfulness.

Strengthen each of us for the challenges of today and tomorrow. Enable us to so live that people will see Your image and glorify Your name. Bless our military as it labors for liberty. We pray in Your powerful Name. Amen.

PLEDGE OF ALLEGIANCE

The Honorable SAM BROWNBACK led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. STEVENS).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, March 2, 2005.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable SAM BROWNBACK, a Senator from the State of Kansas, to perform the duties of the Chair.

TED STEVENS,
President pro tempore.

Mr. BROWNBACK thereupon assumed the Chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

SCHEDULE

Mr. FRIST. Mr. President, this morning following morning business we will resume consideration of bankruptcy reform. Under an order from last night, shortly after resuming the bill we will proceed to two stacked rollcall votes on amendments. The first vote will be on the Feingold homestead amendment, which will be followed by a vote on the Akaka disclosure amendment. The first vote will, therefore, occur approximately at 10:30 this morning, maybe just a little bit later.

For the remainder of the day we will continue working through amendments to the bill. Senators should expect rollcall votes throughout the day. One of the reasons we scheduled the votes early is to get started to build momentum throughout the course of the day. We made great progress on the bill yesterday. I thank all of our colleagues for coming forward with their amendments.

We are systematically addressing each of the amendments, and we will continue to do so over the course of the day and the remainder of this week.

ACCESS TO SAFE WATER AND SANITATION

Mr. FRIST. Mr. President, I rise today to speak to legislation that will be introduced by myself and others later today that focuses on an issue which has for too long been neglected, not just by our people or our Government but, indeed, peoples around the world. It centers on the issue of access to safe water and sanitation. This legislation focuses on developing countries with specific policies outlined in the legislation. I am pleased we have Members on both sides of the aisle joining me as original cosponsors of this legislation which will be introduced later today.

It boils down to the simple fact that every 15 seconds, a child dies because of a disease contracted from unclean water. Four children have died since I began talking on this particular issue.

Fully 90 percent of infant deaths, of deaths of children less than 5 years of age, relate to waterborne illnesses, a product of lack of access to clean water or inadequate sanitation. In total, water-related illnesses kill 14,000 people a day, and most of them are children. That is over 5 million people a year. It does not include the other millions of individuals who will be debilitated and prevented from living healthy lives.

Globally, in many ways, waterborne disease is a silent tsunami. That is the impact it has on a continuing basis. Now is the time to focus on it. Now is the time to act because these are preventable deaths. Typhoid, cholera, dysentery, dengue fever, trachoma, intestinal helminth infection, and schistosomiasis can all be prevented by simply providing safe water and sanitation. More than 1.1 billion people today lack access to clean water. They do not have access to what we take for granted. We can go to the water faucets and drink water in most parts of this country, but lack of access to that clean water is killing a child every 15 seconds. Malaria, which is a mosquito-borne disease directly linked with stagnant pools of water, kills 1 million people each year. Again, most of those are young children. It is preventable.

Unfortunately, reliable projections suggest that the problem is bad, but projections are that it is getting worse. We know it is getting worse. Water stress and water scarcity, leading to disease-borne and impure water, is increasing. If we look forward to 2025, upwards of two-thirds of the world's population may be subject to water stress.

There are over 260 river basins across the world that are shared by two or more countries that actually share the water basins. There are 13 basins that flow through 5 or more countries. There, water is scarce where it is shared by so many. Yet it is so necessary that scarcity can, historically, result in armed conflict. Clean water seems so simple. It seems so basic. In America, we, for the most part, take it for granted. The rest of the world cannot.

UNICEF reports that over half of the world's schools lack safe water and sanitation. In many parts of the world, including in Africa where I have the opportunity to visit, people travel not just an hour but 3 and 4 hours to provide water on a daily basis for their family. In many ways, it becomes a women's issue globally because in most countries that burden falls upon women who are pulled away from addressing other issues such as their children and family. It takes time going to that water source and carrying it home.

Imagine living in a rural village in Sub-Saharan Africa or East Asia where village members share their water with livestock, where you have contamination occurring on an ongoing basis. Imagine being a grandmother like Mihiret G-Maryam from a small village in Ethiopia who watched five of her grandchildren between the ages of 3 and 8 die from water-related diseases. Before the U.K.-based WaterAid organization intervened in her community,

constant stomach pain and diarrhea were a fact of life, an accepted fact of life. The foul-smelling contaminated water exposed Mihiret and her neighbors to parasitic diseases. They had no latrines. Human waste, human excretions were everywhere.

As Mihiret testifies:

It was horrid to see, as well as being unhealthy.

Now, because of the education and investment of WaterAid, together with the local church, her village is clean, and people no longer have to suffer from that chronic stomach ache, pain, and diarrhea. Clean water has literally saved lives. This story demonstrates that proper management and intervention can be a currency for peace and international cooperation.

On my medical missions, I have seen this on a daily basis. Most recently, in January, a bipartisan group of Senators went to East Asia to serve in the aftermath of the December 26 tsunami. As I have mentioned in the Senate, traveling over the Sri Lanka coast for hundreds and hundreds of miles, we could see that devastation was nonstop. We saw the destruction of local water sources, water buckets washed away, and the contamination of wells with saltwater.

We know the statistics: Well over 150,000 people died, and a million lost their homes. Many are still missing as of today. Thousands of children will grow up without their parents. It will take a lot of time and, yes, a lot of resources to rebuild that infrastructure. A lot of people will never recover from the psychological shock, and the scale of the tragedy is difficult to comprehend.

I mention that because if you look at what happened in the tsunami, it illustrates what can happen when one focuses aggressively on relief with clean water. The tsunami poisoned wells, and the routine dependence on water was taken away. That lack of access to clean water introduced the potential for dysentery, for cholera, and for malaria.

As we flew over the coast we could look out the window and see stagnant pools of water that, if left, will become a source of breeding for the mosquitos that ultimately could have led to a malaria epidemic. Those things did not happen because of the rapid relief addressing clean water and sanitation. We participated in these relief efforts. Many participated in some way.

What is critical to understand in the immediate aftermath of the tsunami is that there are long-term solutions to the problem surrounding water which we in this body and our Government have not yet addressed. But when you have a child dying every 15 seconds from a preventable cause—that is, lack of access to clean water—there are things we can do to focus and, hopefully, prevent thousands and thousands of deaths that occur now every week.

March 22nd is designated by the U.N. General Assembly Resolution 58/217 World Water Day and will launch the International Decade For Action. That will launch an initiative called Water for Life. For the decade ahead—that is the next 10 years—from 2005 to 2015, the United States has agreed to work to reduce by one-half ''the proportion of people who are unable to reach or afford safe drinking water along with access to basic sanitation.''

The President and the administration have taken steps to fulfill these commitments. In August 2002, the Water for the Poor Initiative was launched with the intent to improve sustainable management of fresh water resources in over 70 developing countries. An estimated $750 million was invested in this initiative in 2004.

However, in a time of limited public resources, we find that in that year only a little over 6 percent, or about a 20th of total U.S. foreign assistance funding for water activities, was targeted for sub-Saharan Africa. Yet it is in sub-Saharan Africa that the major problem, for the most part, rests. It is an allocation of resources that we need to examine to see if it is appropriate instead of investing where the problem is. If the objective is to save lives, the allocation of our resources seems to be going to other areas. Sub-Saharan Africa is not only where we have the greatest problem today, but it has the fastest growing population. Thus, they will have some of the greatest need for clean water and sanitation in the future.

As we look at the legislation we will be introducing, we all recognize there is no single piece of legislation that can fully address this huge challenge before us to eliminate these water-related diseases around the world. But I do think this legislation underscores the importance, in a bipartisan way, of continued leadership in this arena of addressing a problem that has been hidden from the world for too long. Alongside Government leadership, many dedicated organizations, private individuals, faith-based organizations, nonprofits, and international governmental organizations are working hard, each in their own ways, to address this challenge.

The bipartisan legislation we are introducing today has three simple objectives.

No. 1, it would make it clear that we would have an unequivocal pronouncement that clean, safe water and sanitation, sound water management, and improved hygiene for people around the world is a major policy goal of the Foreign Assistance Act of 1961. It becomes a major policy goal. It is not today, but it should be. And with this legislation it will be.

Second, it would authorize a 5-year pilot program of $250 million a year to assist those countries that have the highest rates of waterborne diseases. This is what it does: It helps them develop funding mechanisms such as investment insurance, investment guarantees, or loan guarantees of up to 75 percent to develop sustainable—the key word is ''sustainable''—water infrastructure systems.

Third, the legislation directs the Secretary of State, along with the Administrator of the USAID, to develop within 180 days a national strategy that would both assess what is being done today and what changes need to be made in order to expand access to safe water and sanitation. This national strategy would be produced in consultation with all of the Federal agencies addressing components of this problem today, along with appropriate international organizations, foreign countries, and U.S. nongovernmental associations and entities.

I will close with mentioning this, as well: In the weeks ahead, I will introduce companion legislation to create a global health corps that will be using the Peace Corps as a model and inspiration. It will allow teams of medical professionals and other volunteers to travel to remote areas to provide medical treatment and public health information. Some of these teams will provide quick assistance when disaster strikes. Some will provide ongoing care in some of the neediest parts of the world. And many of these health volunteers would come from the ranks of experienced doctors, nurses, and medical technicians.

We know that such public health and medical assistance can serve as a currency of peace and a vital tool of public diplomacy. Our assistance to other nations carries the most weight when it involves that personal and intimate contact at the community level, and where it also provides tangible benefits to everyday people. Medical and public health assistance does both of these things. Thus, it can be used as a currency of peace and a vital tool of public diplomacy.

I look forward to the Foreign Relations Committee reporting this legislation in the near future, and I look forward to enacting this legislation expeditiously. Remember, every 15 seconds a child dies somewhere in the world from a waterborne illness because of a lack of access to clean water.

In the short time I have given this statement on the Senate floor, another 50 children have died from diseases we know how to prevent. We must do our part to bring health and hope to the millions of people who need clean water. It is as simple as the glass of water that sits on my desk.

I do thank the Democratic leader. We have been talking and working together on this legislation. I believe this can represent a tremendous bipartisan, ultimately bicameral effort that can reverse a human tragedy that is unfolding before our eyes as a product, at

least in part, because of inadequate attention.

Mr. President, I yield the floor.

The ACTING PRESIDENT pro tempore. The Democratic leader is recognized.

Mr. REID. Mr. President, these 50 children who have died during the presentation by the majority leader are children, of course, who have parents, and brothers and sisters in most instances. The grief and heartache is multiplied each day with the death of children. I appreciate very much the majority leader reaching out to make sure this is a bipartisan piece of legislation. I think it sets a good tone that the two leaders are moving forward on an initiative that speaks of the goodness of America. That is what this is all about. We care about children dying, wherever it happens.

We have the unique situation in this Senate that we have one of the leaders, the Republican leader, who is a medical doctor. During his tenure in the Senate, he has traveled the world looking at medical problems that exist and there is no bigger problem than water.

Our former colleague who recently passed away, Paul Simon from Illinois, wrote a book, ''Tapped Out.'' In that book, he mentioned some of the things I have said. The State of Nevada is different from the State of Tennessee. We have what we call rivers, but they are tiny, little. I do not know what they would be called in most States.

The Colorado River is a river that at times can be a mighty river, but the rest of the rivers we have in Nevada are tiny, little rivers. The Truckee River, which supplies the second largest city in Nevada, Reno, with all its water, is a little stream. You can walk across it in most places. The world-famous city of Las Vegas gets 4 inches of rain every year.

We need to do something about the lack of water around the country, and not only the lack of water but the quality of the water. A lot of places have water, but it is not water you can drink and stay healthy with.

I am pleased to join the majority leader in cosponsoring this important legislation. We are going to introduce it later today. Our staffs are working on the language.

With this legislation, we are seeking to do something meaningful for the hundreds of millions of people across the globe who lack safe and clean water. It is something so basic, yet so critical to human life. Improving the delivery and access of clean and safe water, better hygiene and medicine, that is what this bill seeks to achieve.

No one knows more in this body than the majority leader, from his travels in Africa and elsewhere, that over a billion people—and that is probably a figure that is too low—lack access to clean water. Each year, as has been indicated, millions of people die. We do not know how many people, but at least 5 million people die from water-related diseases. More people die from unsafe water than from all forms of violence, including war. Eighty percent of all sickness in the world is attributable to unsafe water and improper sanitation, and they go together in most instances.

These statistics are staggering and disturbing because so much of this disease and despair is preventable. That is what the legislation is all about. We need greater U.S. and international involvement and a more proactive strategy. In addition, we need to fully fund this initiative and the other water programs currently undertaken by our Government.

I am grateful the majority leader will shortly enter into a colloquy with me that directly addresses the strategy and funding problems. We are going to work together. This is bipartisan legislation. The majority leader and I are doing this not for purposes of showing we can do something together, which I think is an important message, but we are actually going to do something. We are going to do more than introduce this legislation. There is going to be more than authorizing legislation. We have a huge budget in the United States. I think we can find money to actually do this. It is important. And we do not have to take from other programs. I hope that is the case.

So I look forward to continuing to work with the majority leader, Senator LEAHY, and Senator MCCONNELL, who are the ranking member and chair of the Appropriations Subcommittee on Foreign Operations, and, of course, Senators LUGAR and BIDEN, who are the chair and ranking member of the Foreign Relations Committee. There are others. But we are going to get working to make sure we do something positive to make sure the world is a safer place.

When people are healthy, they have less problems with raising their children properly. It creates all across the world an influence that is positive and resolves many differences. We know, as is pointed out in the book by Senator Simon, in the future, wars are going to be fought over water, not over territorial boundaries necessarily, unless it does involve water. There is a shortage of water.

If we can do some good work in the Middle East, for example, with water—and here, I have to compliment Israel. Israel, as we speak, does not have the best relations with some of its neighbors, but they have joint water projects that they are working on. There is not a lot of fanfare for that, but they all realize that water is important, as we do.

So again, I compliment and I applaud the majority leader for his initiative. I look forward with anticipation to doing something good for millions and even billions of people around the world.

Mr. FRIST. I am pleased to enter into this colloquy with the distinguished minority leader and I appreciate his cosponsorship of the Currency for Peace Act of 2005.

Mr. REID. I am grateful to the majority leader for raising the critical issue of the lack of safe water in developing countries. It is one of the world's most pressing development challenges which impacts hundreds of millions of people across the globe.

Mr. FRIST. Unsafe water and water-related diseases have far reaching consequences. That is why U.S. Government, acting through the Department of State and the United States Agency for International Development, has been undertaking critically important programs in developing countries to provide clean and safe water, sanitation and hygiene for many years. These life-saving programs should be continued and expanded, wherever possible.

Mr. REID. It is also critical for the United States and the international community to fully recognize the role that unsafe water plays in causing death, disease, poverty, environmental degradation, and instability. An aggressive and timely response is required, and the United States should be at the forefront of that effort. The U.S. Government and other donor nations must develop a more proactive response that commits greater resources and ensures that these resources are allocated where the greatest needs exist.

Mr. FRIST. And while we bolster and enhance our existing programs and strategies, Senator REID and I are pleased to put forward this new initiative that fully acknowledges the role that safe water plays in health and development. In the future, we must find the additional resources to fully fund the Safe Water Act of 2005, without decreasing our support for existing safe water and other foreign assistance programs.

Mr. REID. I fully agree that the initiatives set forth in this act should be fully funded, but not with funds taken from existing and ongoing foreign assistance programs. I look forward to working with Senator FRIST and the White House to obtain full funding for this program in the President's fiscal year 2007 budget and in subsequent years so the United States can implement pilot programs that can eventually be expanded to other countries in the future.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there

will be a period for the transaction of morning business for up to 60 minutes, with the first 30 minutes under the control of the Democratic leader or his designee and the second 30 minutes under the control of the majority leader or his designee.

Who seeks recognition?

The Senator from Colorado is recognized.

(The remarks of Mr. SALAZAR and Mr. CORZINE pertaining to the introduction of S. 496 and S. 497 are printed in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

THE PRESIDING OFFICER (Mr. VITTER). The Senator from New Jersey is recognized.

(The remarks of Mr. CORZINE and Mr. DURBIN pertaining to the introduction of S. 495 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

The PRESIDING OFFICER. The Senator from Virginia is recognized.

THE PRESIDENT'S TRIP

Mr. WARNER. Mr. President, the distinguished Senator from Kentucky has yielded to me his time. I will take about 7 or 8 minutes.

It is so important for Members of this body to reflect on the President's most recent trip to Europe. Without being presumptuous, in my judgment, I think it was one of his best, maybe his finest, and in the years to come, I hope he can parallel the achievements of this particular trip.

My views are important, perhaps, but more important are the views of the representatives from nations in Europe to the United States. I had several of the ambassadors visit in my office this week to discuss the President's trip.

I would like to read some quotes from television programs on which these three ambassadors appeared recently. Jean-David Levitte is France's Ambassador, and I have had a particularly warm and productive relationship with this ambassador since he was posted. He has had an extraordinary career. He has been here in Washington a number of times in previous positions.

It is well known he is very close to President Chirac. When asked a question about the relationship between our country in the context of the President's trip, he said as follows:

Yes, I do think so. Wolf, I participated—I was privileged to participate in the dinner in Brussels between the two Presidents, and it worked very well.

That is his appraisal.

Then Wolfgang Ischinger, Germany's Ambassador, when asked the question, Has the relationship, based on what you know, Mr. Ambassador, improved? he replied:

Oh, I certainly think so, Wolf. In fact, I don't really think we really needed the meeting in minds, President Bush's visit to Germany this past week, to improve this relationship between the two governments. I think we've been doing quite well over the last year already.

He continued when pressed again:

I think there has also been substantive movement and change, not only because President Bush, by visiting the European Commission, put to rest the suspicions in this country and in Europe that America might no longer be supportive of the European Union, of the idea of European integration, but also because in the meeting with the German side, in which I had the chance of participating, President Bush, I believe, enhanced the degree of U.S. support. He went a step further in terms of expressing his support for European efforts on Iran.

Then Sir David Manning of Great Britain. I have had a warm and productive relationship through the years with this fine individual, another individual who has been posted to this country on a number of occasions. When asked a similar question about the President's trip, he replied:

Well, I think we're all very encouraged by the President's visit and, indeed, by Secretary Rice's visit, because this has been an issue that's been discussed by all our heads of government, and much more widely than the three of us here.

The point I make is, as I read through the press reports from these three ambassadors in the United States, they were all very strong on the issue of the success of the President's visit, together with our distinguished Secretary of State.

Then to another subject that President Bush quite properly raised, it is one of concern to this Senator and I think a number of us here in the Senate. I would like to quote from the President on his trip. He said as follows:

Well, I talked about this issue with President Chirac last night, and Prime Minister Blair.

The issue, if I might step back, is:

Mr. President, European countries are talking about lifting their 15-year arms embargo on China. What would be the consequences of that? And could it be done in a way that would satisfy your concerns?

The President replied:

Well, I talked about this issue with President Chirac last night, and Prime Minister Blair, and I intend to talk about it in a couple of hours at the European Union meeting. We didn't discuss the issue at NATO, by the way. And here's what I explained. I said there is deep concern in our country that a transfer of weapons would be a transfer of technology to China, which would change the balance of relations between China and Taiwan, and that's of concern. And they, to a person, said, well, they think they can develop a protocol that isn't—that shouldn't concern the United States. And I said I'm looking forward to seeing it. . . .

Referring to the protocol.

I discussed this with several ambassadors when they came into my office and, indeed, a team is to be forthcoming from the European nations to visit the United States. I think we should hold final judgment until we have had the opportunity, in a courteous way, to reflect on those precautions that the European countries will take in the context of lifting this ban.

But I point out that in my study of the relationship between China and not only the United States and Taiwan but the entire region, they are on a very fast pace to modernize a wide array of weapons—weapons that could, for the first time, begin to pose in the outyears a threat to our fleet units.

I select the fleet units because our concept of the projection of our force forward is dependent on the protection of naval components, particularly our carriers. I see on the horizon grave concerns about lifting this embargo in terms of China's capability militarily in the outyears.

A third subject I would like to cover in the context of the President's visit is he was addressing the challenge to, indeed, all free nations as we participate to try and give support to Israel and the Palestine Government to come to a final consensus to resolve their problems and to bring about a cessation of the turmoil in that region.

I am so deeply grateful the President made the following statement:

President Bush on his recent trip to Europe stated, ''America and Europe have made a moral commitment. We will not stand by as another generation in the Holy Land grows up in an atmosphere of violence and hopelessness.''

Yesterday, the Armed Services Committee had a hearing. General Jones, the NATO Commander, was on the stand. I questioned him regarding a concept which General Jones and I have discussed on a number of occasions over the past several years, and that is the possibility of NATO playing a role of peacekeeping on behalf of the Palestinian and Israeli interests. That would have to be at the invitation of both of those Governments.

Why NATO? Our country is very proud of a very long relationship with the State of Israel, an island of democracy in that part of the world. We have very strong ties there, as we should. Correspondingly, Europe has had very strong ties with the Palestinian people through the years. It goes way back. Significant portions of their population have ties to that region. So a NATO peacekeeping force comprised of both the military units from the European nations and some, I would say, proportionate amount of American forces would be perceived as a balanced force and could come, in my judgment, and provide a sense of security to support such frameworks of peace and accords as these two nations could hopefully achieve with our help and the help of other nations.

Again, it would only be at the invitation of the two Governments, but I

think it is a concept that I have addressed on this floor many times. Others have likewise; indeed, some prominent journalists whom I respect. I do hope that it be given consideration.

General Jones in his testimony yesterday said it has been brought up in the North Atlantic Council of recent. Other nations are interested in this concept, and I hope our Nation, the United States, can get behind and explore the options.

I thank the distinguished Senator from Kentucky.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. Mr. President, how much time remains in morning business?

The PRESIDING OFFICER. There is 25½ minutes remaining.

UNANIMOUS CONSENT AGREEMENT—S. 256

Mr. MCCONNELL. Mr. President, I ask unanimous consent that when the Senate resumes the bankruptcy legislation, there be 20 minutes of debate equally divided prior to the vote or in relation to the Feingold amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRESIDENT BUSH'S TRIP TO EUROPE

Mr. MCCONNELL. Mr. President, I, along with others, had an opportunity yesterday to get a briefing from the President about his trip to Europe. It was a bipartisan group, well attended, and everyone was quite interested in getting the President's views of the results of his trip.

It is clear that the Iraqi election has transformed the political landscape, not only in the Middle East but in Europe as well.

First in the Middle East, we have witnessed in the last few months the election in Afghanistan on October 9, the election in the Palestinian territories on January 9. We have witnessed the Rose revolution up in Georgia, the Orange revolution in Ukraine. Then we have had the election in Iraq. And in the post-Iraq period, we have seen people take to the streets in Lebanon.

It is clear with the unified message from the French and the Americans that the international community wants, at long last, Syrian troops out of Lebanon—entirely out, not just the troops but the security forces as well—so that the Lebanese elections this spring can be uninhibited by foreigners.

All of this is going on, and added to that we have the President of Egypt saying they are going to have a real election. That has certainly not been the case in Egypt in the past. A real election presumably means real choices with the opposition allowed to speak, participate, and run for office.

We have even seen some elections in Saudi Arabia, though women are not yet allowed to vote. That is a step obviously in the right direction.

What is happening here? I think the Iraqi policy of the President of the United States is transforming the Middle East and transforming European attitudes toward America and the policy in the Middle East. The President's trip last week I think underscores that.

He had unanimous support from NATO, all 26 countries, to do something within their capability to help the Iraqi emerging democracy. The French want to help. The Germans want to help. This is an enormous transformation in Europe, as well as in the Middle East. All of this, I would argue, is a result of the extraordinarily effective war on terror and particularly the Afghanistan and Iraqi chapters.

The President's grand strategy is not just to protect us at home—and that has worked so far; since 9/11 they have not been able to hit us again—but through these policies of transformation, he sort of drained the swamp and made it likely that the kinds of people who tend to join up with these terrorist groups will feel a sense of hopelessness in their own countries because they do not have a chance to influence outcomes and determine their own governments and their own fates.

This is an incredible step in the right direction. Clearly, problems remain, and at the top of the list would have to be Iran and North Korea. With regard to Iran, the President is pursuing a multilateral policy in which the British, the Germans, and the French engage the Iranians, hoping to convince them to follow the policy chosen by Muammar Qadhafi, for example, in Libya, witnessing what happened to Saddam Hussein in Iraq, deciding it would be better to give up weapons of mass destruction and work his way back toward being part of the community of civilized nations. The Europeans hopefully will make that point to the Iranians, and we are looking forward to pursuing a very aggressive policy. Everyone in Europe agrees that a nuclear Iran is simply not an option.

While we do have growing areas of agreement with our European allies, there are some differences. As the Senator from Virginia pointed out, we are not happy about the apparent decision of the European community to trade with China in possibly missile technology or other military equipment that could potentially destabilize Asia and raise the anxiety of the Japanese, for example, and ourselves and exacerbate the cross-straits problem between China and Taiwan. So we do have our differences with the Europeans on that.

The President made it clear that in addition to the public meetings he had with President Putin of Russia, privately he also aggressively emphasized the importance of Russia continuing in a democratic direction and the importance of not unraveling the democratic reforms of the early 1990s if Russia is going to be a place where foreign investment will be willing to go. If there is not a respect for the rule of law and not a free press, not the kind of atmosphere in which one can function, the chances of Russia realizing its aspirations will be significantly set back if President Putin continues down the path he has chosen.

The new Ukrainian President was there. It was very exciting for all of the 26 NATO members to have an opportunity to see this hero. His opponents tried to kill him, and he is still in the process of trying to recover from the poisoning that almost took his life. It was remarkable to see the Ukrainian people take to the streets and demand an honest election, get an honest election, and elect someone who is westward leaning and who wants to bring the Ukraine into the European community and make it a country that can advance the hopes, desires, and aspirations of the Ukrainian people.

Finally, the President indicated he had an extraordinary, uplifting experience in Slovakia. He said he was standing there in the square speaking to the Slovakian people, and he said the best evidence that they have a genuine democracy was that one fellow had a sign up with some kind of anti-Bush comment on the sign. The President said the man stood there quietly holding up his sign during all of the President's speech, and the President pointed out that that was a further illustration that in Slovakia they are free to speak their mind and peacefully protest. The President thought that was a good sign of the stability and effectiveness of the new Slovakian democracy. By the way, that is a country that is making remarkable progress, which is, I am sure, the reason the President chose to go there.

I conclude by saying that President Bush clearly had a good week, and the reason he had a good week is because he has been pursuing policies that are working. Democracy is breaking out, springing up, taking root all through the Middle East, and the Europeans look at that and have to conclude that whether or not they supported the Iraq war initially, that single decision to liberate Iraq could well be the turning point in transforming the Middle East into a place where democracies that respect the rights of minorities, engage in protection of human rights, and have free presses are the wave of the future.

I yield the floor.

The PRESIDING OFFICER. The Senator from Georgia is recognized.

Mr. CHAMBLISS. Mr. President, I ask that the Chair let me know when I have 6 minutes remaining on our time, please.

The PRESIDING OFFICER. The Chair will so inform the Senator.

Mr. CHAMBLISS. President, President Bush has recently concluded an historic and highly productive trip to Europe. During my review of what was said, and more importantly, what was accomplished, I was struck by the number of significant issues that were addressed and how so many of them portend a better future for our important transatlantic relationship. This was a ''good news'' trip, which might explain why its coverage in the U.S. media was minimal at best.

There is no doubt that relations between the United States and Europe have been strained, especially over the conflict to liberate the people of Iraq. And, as we know, the media seems to thrive on reporting bad news at the expense of the good, which can distort what actually exists.

I know, for example, that reading about the situation in Iraq in the press forms one perception of reality. But, one gets a very different point of view if they visit Iraq and meet with our military personnel who are serving there, as I was able to do recently. One would think that they are talking about two completely different countries. The fact is that Iraq is not all doom and gloom, nor is it yet the place we envision it to become.

It is evolving politically, economically, socially, and yes, it is facing significant challenges from insurgents and terrorists. Yet, thanks to the vision and fortitude of President Bush, the extraordinary men and women in our military and diplomatic service, and the Iraqi people, Iraq is becoming a more secure country working toward its own unique form of representative government.

In Europe, it is my firm belief that we have far more in common than we have differences over foreign policy. Again, the media has tended to focus its reporting on the problems between us, which distorts the reality of our relationship with Europe. And, what is that reality? What are the issues? And, how do we see the transatlantic alliance in the future?

I come to this issue without any ''rose colored'' glasses. As a congressional delegate to the WorId Economic Conference in Davos, Switzerland, last January, I experienced first-hand the depth of resentment toward the United States felt by many Europeans. But on that same trip, in a meeting with French President Chirac, I also saw the beginning of the end of this feeling.

We have a vision for Iraq and the Middle East in general that calls for individual freedom and representative government. I do not think that the French, or any other democratic, European nation was opposed to this ''vision.'' Rather, they were skeptical that President Bush could actually move his vision of freedom to becoming a reality in an area of the world pretty much devoid of democratic governments, with a few exceptions like Israel and Turkey.

In our meeting with President Chirac it was clear that he saw that United States polices in Iraq are beginning to work, that freedom might really take root in the Middle East, and that France and the rest of Europe had to be a part of this historic process.

By working together with European leaders, President Bush has put our transatlantic alliance and relations with Europe back on a normal track. We came to agreement on some issues, agreed to work on others, and identified those where we differ.

The list of results and issues addressed by President Bush during his trip is impressive and I want to highlight some of the major ones that fall into several categories:

First, with respect to NATO, all 26 member counties have now agreed to provide some form of assistance to support the NATO mission of training Iraqi defense forces.

With regard to Afghanistan, NATO continues to expand its role as the leader of the International Security Assistance Force, ISAF, and the United States and NATO agreed to work toward merging the United States-led Operation Enduring Freedom and ISAF into one allied command.

With regard to Ukraine, strong support was expressed by NATO Secretary General de Hoop Scheffer and President Bush for the future accession of Ukraine into NATO.

With regard to the E.U., the United States and the E.U. issued a joint statement in support of the people and the Government of Iraq.

United States concerns were clearly expressed to the E.U. about lifting its arms embargo against China.

President Chirac understands these concerns and there will be more United States and E.U. discussions on the embargo.

The United States and Germany announced joint actions on cleaner and more efficient energy policies and on climate change, which will include: Joint activities to develop and deploy cleaner, more efficient energy technologies; Cooperation in advancing climate science; and joint action to address air-pollution and greenhouse gas emissions.

With regard to Iran, the United States and its European allies exchanged views on nuclear weapons in Iran and agreed to that it is not in the world's interest and that a common approach on this issue should be developed.

The United States agreed to take a more proactive role in the European-led negotiations with Iran on its nuclear program.

With regard to Russia, President Bush made clear to President Putin the importance of promoting democracy in Russia.

Both presidents announced cooperation in combating the spread of manportable air-defense systems or MANPADS.

Both agreed that Iran and North Korea should not have nuclear weapons.

Both voiced strong support for a peace agreement between Israel and Palestine.

Presidents Bush and Putin announced six areas, called the Bratislava initiatives, designed to bring Russia and the United States closer together. These initiatives are: nuclear security cooperation, World Trade Organization, energy cooperation, counterterrorism, space cooperation, and humanitarian, social, and people-to-people programs

With regard to Lebanon, President Bush and President Chirac jointly announced their condemnation on the assassination of former Lebanese Prime Minster Rafiq Hariri and pledged their mutual support for a free, independent, and democratic Lebanon.

I began my remarks by stating that President Bush's European trip was historic and productive. The partial list of issues I just mentioned clearly shows how much President Bush and European leaders have moved beyond policy differences over Iraq and that we share a common vision for a peaceful, democratic world. We may not always agree on how to reach our objectives, but we can agree on what those objectives are.

Our remaining challenge to further strengthen our ties with Europe is to change the negative perception that many average Europeans have of the United States. This is where the media can, and should, play a constructive role by balanced reporting on the true state of our relationship with Europe.

Let me repeat that we have far more in common with Europe than the differences between us and President Bush made great strides in promoting our common vision of the world with our allies.

It is now up to the rest of us to reinforce the President's message of working with our European allies, just as it is up to the Europeans to understand that President Bush's goal of promoting freedom around the world is a perpetual one that is in all mankind's interest to promote.

I close by commenting on some statements that were made yesterday in a hearing. In the Senate Armed Services Committee, under the leadership of Senator JOHN WARNER and Senator CARL LEVIN, we had General Jones, General Abizaid, and General Brown, who represent the commands responsible for the Iraqi conflict. In his opening statement, General Abizaid made the comment that as a result of what has happened in Iraq, in Operation Iraqi Freedom, and Afghanistan, we have now seen free and open elections

in Afghanistan, and we have seen free and open elections in Iraq. We have seen an election take place in Saudi Arabia that were it not for the conflict in Iraq would never have happened. We have seen the people in Lebanon rise up against their Syrian invaders and put pressure on the Syrian Government to return that country to the people of Lebanon.

We have seen the Government of Libya turn over their nuclear weapons to the IAEA and to the United States for examination, to rid their country of the potential to have any nuclear weapons.

We have seen the leader of Egypt now proclaim he wants to see democratic elections in his country for the first time.

There are any number of instances that have occurred and are going to occur in the Middle East, a part of the world where violence has prevailed for decades, and where the terrorist community has trained and perpetuated itself for decades. Were it not for the vision of President Bush relative to the freedom of the Iraqi people, were it not for the support of Congress and the American people of that vision, and were it not for the strong leadership of our military, the strongest, greatest fighting force in the world, those events General Abizaid ticked off yesterday simply would not have happened.

If he had come in 12 months ago and said here is what is going to happen in the Middle East over the next year, no one would ever have believed that what he said would come to be true. The fact is it did. The fact is the people of Iraq are moving toward freedom and democracy. The fact is that now, after President Bush's highly successful trip to Europe, the Europeans have a better understanding of the importance of the transatlantic alliance working together to promote our president's vision of freedom throughout the world.

I yield the floor.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mrs. HUTCHISON. Mr. President, I will take the remaining time on the Republican side. I thank my colleagues, Senator WARNER, Senator MCCONNELL, and Senator CHAMBLISS, for laying out the leadership our President has shown in going overseas, talking about our fight for freedom, and showing it is a fight for freedom for every country that has a democracy, and that it should also be a shared responsibility.

I appreciate the President's leadership and our Senators for talking about what is happening. It is incredible, the changes we are seeing in the world because of the President's steadfast determination that we are going to do the right thing, that America will be the banner of freedom throughout the world, and that we could use help from our allies and hopefully they will understand and agree it is a shared responsibility for all the freedom-loving peoples of the world.

TEXAS INDEPENDENCE DAY

Mrs. HUTCHISON. Mr. President, I want to take a moment, as I do on March 2 every year since I have been in the Senate, and before me Senator John Tower did the same thing, to commemorate Texas Independence Day.

Today is, indeed, the 169th anniversary of the day when a solemn convention of 54 men in a small Texas settlement took a step which had a momentous impact, not only on Texas but on the future of the United States. These 54 men, including my great-great-grandfather Charles S. Taylor from the town of Nacogdoches, met on March 2, 1836. They were in Washington-on-the-Brazos and, after laying out the grievances they had with the Government of Mexico, they declared:

> We therefore . . . do hereby resolve and declare . . . that the people of Texas do now constitute a free, sovereign and independent republic.

They brought the Lone Star Republic into existence with those words. At the time, Texas was a remote territory of Mexico. It was hospitable only to the bravest and most determined of settlers. While few of the men signing the declaration could have predicted Texas's future prosperity, they immediately embarked on drafting a constitution to establish foundations for this new republic.

The signers of the Texas declaration, as their forefathers who signed the American Declaration of Independence in 1776, risked their lives and families when they put pen to paper. They were considered traitors to Mexico because they were in a Mexican territory. But they were going to fight for freedom and independence.

My great-great-grandfather Charles S. Taylor didn't know it at the time, but all four of his children had died when he left home to go and sign the declaration of independence. His wife took the children in what is now called the ''runaway scrape,'' when the women in the Nacogdoches territory took the children to flee from what they thought might be the oncoming Mexican army. In the ''runaway scrape,'' many children died. They were fleeing to Louisiana at the time. But my great-great-grandmother had the same spunk and determination as my great-great-grandfather, so she returned to Nacogdoches and they had nine more children. That was one of the examples that was set by people of that time who believed freedom was worth fighting and dying to achieve.

They spent their last days in Texas, trying to build the Republic and eventually supporting the statehood of Texas coming into the United States of America.

While the convention met in Washington-on-the-Brazos, 6,000 Mexican troops held the Alamo under siege, seeking to extinguish this newly created republic.

Several days earlier, from the Alamo, Col. William Barrett Travis sent his immortal letter to the people of Texas and to all Americans. He knew the Mexican Army was approaching and he knew that he had, really only a few men, under 200 men to help defend the San Antonio fortress. Colonel Travis wrote:

> Fellow Citizens and Compatriots: I am besieged with a thousand or more of the Mexicans under Santa Anna. I have sustained a continual Bombardment and cannonade for 24 hours and have not lost a man. The enemy has demanded surrender at discretion, otherwise, the garrison is to be put to the sword, if the fort is taken. I have answered the demand with a cannon shot, and our flag still waves proudly over the wall. I shall never surrender or retreat.
>
> Then I call on you in the name of Liberty, of patriotism, of everything dear to the American character, to come to our aid with all dispatch. The enemy is receiving reinforcements daily and will no doubt increase to three or four thousand in four or five days. If this call is neglected I am determined to sustain myself as long as possible and die like a soldier who never forgets what is due his honor and that of his country—Victory or Death.

No Texan—no person—can fail to be stirred by Colonel Travis' resolve in the face of such daunting odds.

Colonel Travis' dire prediction came true, 4,000 to 6,000 Mexican troops did lay siege to the Alamo. In the battle that followed, 184 brave men died in a heroic but vain attempt to fend off Santa Anna's overwhelming army. This battle, as all Texans know, was crucial to Texas independence because those heroes at the Alamo held out for so long that Santa Anna's forces were battered and diminished. Gen. Sam Houston gained the time he needed to devise a strategy to defeat Santa Anna at the Battle of San Jacinto a month or so later on April 21, 1836. That battle was won and the Lone Star was visible on the horizon at last.

Each year on March 2, there is a ceremony at Washington-on-the-Brazos State Park where there is a replica of the modest cabin where the 54 patriots pledged their lives, honor, and treasure for freedom.

Every year I honor the tradition Senator John Tower started by reading this incredible letter from the Alamo, written by William Barrett Travis, that showed so much about the kind of men who were willing to stand up and fight for freedom, men we have seen throughout the history of our country, starting in 1776 and going on. Even today, as we know, our young men are in Iraq and Afghanistan, fighting the war on terrorism.

I think it is important for us to remember our history. I am proud to be

able to do it. We were a republic for 10 years before we entered the United States as a State. We are the only State to enter the United States as a republic, and we are very proud that we are now a great State, a part of the United States of America, with a vivid history and past.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. FEINGOLD. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

BANKRUPTCY ABUSE PREVENTION AND CONSUMER PROTECTION ACT OF 2005

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of S. 256, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 256) to amend title 11 of the United States Code, and for other purposes.

Pending:

Feingold Amendment No. 17, to provide a homestead floor for the elderly.

Akaka Amendment No. 15, to require enhanced disclosure to consumers regarding the consequences of making only minimum required payments in the repayment of credit card debt.

Leahy Amendment No. 26, to restrict access to certain personal information in bankruptcy documents.

The PRESIDING OFFICER. Under the previous order, there will be 20 minutes of debate, equally divided, prior to a vote on amendment No. 17.

The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I appreciate this opportunity to speak further on my amendment which I offered yesterday. I urge my colleagues to support my senior homeowner protection amendment, amendment No. 17.

As I explained yesterday, my amendment would protect senior homeowners who need to file for bankruptcy relief. It would help to ensure that these older Americans do not have to lose their hard-earned homes in order to seek the protection of the bankruptcy system.

The homestead exemption in the bankruptcy laws is supposed to protect homeowners from having to give up their homes in order to seek bankruptcy relief. But in too many States, the homestead exemption is woefully inadequate. The value of this exemption varies widely from State to State. Federal law currently creates an alternative homestead exemption of just under $20,000, but each State gets to decide whether it will allow its debtors to rely on this already low Federal alternative, and most do not. In many States, the amount of equity a homeowner can protect in bankruptcy has lagged far behind the dramatic rise in home values in recent years. For example, in the State of Ohio the homestead exemption is only $5,000, and in the State of North Carolina the homestead exemption is a mere $10,000. Even for States that have no State exemption but allow debtors to use the $20,000 Federal exemption, like New Jersey, the number is just too low in this age of rising housing costs.

My amendment would create a uniform Federal floor for homestead exemptions of $75,000, applicable only to bankruptcy debtors over the age of 62. States could no longer impose lower exemptions on their seniors. If a State's exemption is higher than $75,000, however, that exemption would still apply. My amendment creates a floor, not a ceiling.

Older Americans desperately need this protection. Americans over the age of 65 are the fastest-growing age group filing for bankruptcy protection. Job loss, medical expenses and other crises are wreaking havoc on the finances of our seniors. In the 1990s, the number of Americans 65 and older filing for bankruptcy tripled. They need our help.

Older Americans also are far more likely to have paid off their mortgages over decades of hard work, making the homestead exemption particularly important for them. In fact, more than 70 percent of homeowners age 65 and older own their homes free and clear. For these seniors, their home equity often represents nearly their entire life savings, and their home is often their only significant asset. That means seniors are hit hardest by the very low homestead exemptions in some states.

It has become apparent that when there is no substantive argument against a worthy amendment, we will hear arguments cautioning against the unraveling of delicate compromises and agreements. It has become a convenient and frequent refrain on the floor of the Senate, that amendments cannot be tolerated. That is very troubling, particularly because in the Judiciary Committee we were implored to hold our amendments for the floor and promised that supporters of the bill would work with us to try to resolve our concerns. There is a bait and switch going on here. Bills that come before this body are not sacrosanct. If there is a substantive argument to be made against my amendment, I am eager to hear it and debate it. But it is just not right to say that an amendment will be defeated because the bill must remain ''clean'' to pass.

It is especially wrong to make that argument when it is just not true. Some amendments might be termed poison pills, but that term does not apply to this amendment.

To be frank, my amendment simply has no bearing whatsoever on the other provision of the bill that addresses the homestead exemption—that is, the provision whose delicate balance we have been so strongly cautioned not to disrupt.

Section 322 of the bill addresses abuses resulting from the fact that some States have unlimited homestead exemptions. An agreement on that provision—often called the Kohl amendment after my senior colleague from Wisconsin, who led the fight against these abuses—was reached in the 2002 conference. Senators from the States that had unlimited homestead exemptions, such as Florida and Texas, objected strenuously to a Federal ceiling preempting their States' unlimited exemptions. They agreed to the provision only when it was modified to its current version, in which the Federal cap applies only to people engaging in fraud and people who purchase property shortly before filing for bankruptcy.

My amendment has no bearing whatsoever on that compromise deal. The Senators who initially objected to Senator Kohl's attempt to limit wealthy debtors' abuse of the homestead exemption are from States where the homestead exemption is already unlimited. In those States, my uniform Federal floor would have absolutely no effect. The unlimited exemption would still apply.

On the other side of the negotiations were people like Senator Kohl who were attempting to prevent wealthy debtors from abusing the homestead exemption by buying multi-million dollar mansions in States with unlimited homestead exemptions. I have not heard them object to giving seniors a uniform homestead exemption that is less than the Federal ceiling provided in Section 322. Once again, my amendment has absolutely no effect on the deal that was cut.

I would also point out that supporters of the bill are perfectly willing to override State decisions with regard to homestead exemptions in certain circumstances. This bill already requires that a Federal maximum exemption apply to prevent abuse by wealthy debtors seeking to hide their assets in a mansion and get rid of their debts through bankruptcy. Why can't we insist on a Federal floor to protect senior citizens? It makes no sense to suggest that this amendment violates State prerogatives on the homestead exemption since the bill already does just that.

So I am having a hard time figuring out who would object to my amendment, and what delicate compromise is

going to be undone if my amendment passes. Is anyone going to stand on the floor of the Senate and defend the right of States to harm the elderly by forcing them to sell their homes in order to seek bankruptcy protection? Are we really going to take the States rights argument that far?

So my amendment has nothing to do with compromises already made in this bill. It would not unravel the bill, or upset the compromise on the homestead exemption. Now the credit card companies probably don't like this amendment because it will protect some seniors from having to sell their homes to pay their debts. Once again, the Senate has a choice to make. Will we stand with our senior citizens or with the credit card companies and big banks?

I also want to explain a bit more why I have limited the amendment to debtors age 62 and over. The argument was made yesterday by the Senator from Alabama that a single mother or a young family also would benefit from a larger exemption. But seniors are the people who need the exemption most. Most people in their 20s and 30s do not have $75,000 of equity in their homes, if they own homes at all. Certainly those who are filing for bankruptcy do not. Seniors, on the other hand, have worked their whole lives to payoff their mortgages and guarantee themselves a comfortable place to live in their retirement. They survive on their modest social security benefits precisely because they have no mortgage or rental payments. Are we now going to force them to forfeit their homes because they face such high medical expenses that they have to seek bankruptcy protection?

In addition seniors are typically living on fixed incomes and simply don't have the ability to rebuild wealth that younger people have. Nor can they afford to make payments on a new mortgage. If forced to sell their homes, many older Americans will not be able to afford to rent a habitable, safe place to live. Some can barely afford to the pay the property taxes on their current paid-off homes because of rising real estate assessments.

We need to protect our senior citizens in their retirement years. I strongly urge my colleagues to vote for my amendment.

I reserve the remainder of my time.

The PRESIDING OFFICER (Mr. GRAHAM). The Senator from Utah.

Mr. HATCH. Mr. President, I rise today in opposition to the Feingold amendment. I explained yesterday why I oppose this provision and would like to summarize my remarks today.

First off, I commend Senator FEINGOLD's commitment to the elderly. He is very sincere in his efforts. We all are concerned about our senior citizens.

I have worked particularly hard on this bill to make sure there are provisions that protect the elderly along with women and children and I think that my colleagues who have worked with me on this bill recognize this fact. We have lots of protections in this bill.

Senator GRASSLEY is the lead sponsor of this bill and he has a long track record of working with the elderly on Social Security and Medicare and other issues, as I do. I serve on the Finance Committee with Senator GRASSLEY, who chairs that committee. We were both proud to have played a role in bringing prescription drug coverage to our seniors under the Medicare program in the landmark medicare reform bill that was enacted last Congress.

My opposition to this amendment has nothing to do with the elderly. I believe that this bill takes their concerns to heart.

I would not object if every State in the Nation passed laws that would put a similar floor—or a higher floor—in their respective homestead laws. But that choice belongs to the States, and not the Federal Government. There is a long history in bankruptcy law of deference to States on issues like homestead provisions.

The hard reality is that nearly every State in the country has vehemently defended their homestead laws. If you do not believe me you can ask the Senators from States like Texas, Florida, and Kansas. They have all been involved in reaching the compromise that has been achieved in this legislation on this issue over the past 8 years.

It is a grand compromise that both sides of the Hill will accept if we vote down the Feingold amendment. The Feingold amendment would bring the bill down.

If some States wish to change their laws, that is their prerogative. A key purpose of this bill, and the purpose of the current homestead provisions, is to curb fraud and abuse.

The provisions of S. 256 impose a 10-year look back for fraud. They impose a 2-year residency requirement that is designed to prevent wealthy debtors from moving from States with low homestead exemptions to States with high or unlimited exemptions and then filing for bankruptcy. They are a compromise—a balance—of States' rights and Federal imperatives under bankruptcy law, and we must let the provisions stand as written. This amendment will upset that balance and could act to bring this bill down.

The reason has nothing to do with a hostility to the elderly, or to any other class of persons, but because the homestead provisions have taken years to negotiate and are the result of difficult choices and compromises. There are many members of this body who would like to see the homestead provisions changed in some fashion, but to accommodate them any further than what presently exists in the bill would likely force other Senators to oppose the legislation.

I urge my colleagues to reject the Feingold amendment, however well intentioned it may be, because this is a grand compromise of a bill that I don't believe the distinguished Senator from Wisconsin has ever supported. The fact of the matter is, if his amendment were agreed to, he would not support this bill. And the reason he would not is because he would not agree to the compromise we have in the bill which the vast majority of Members of Congress on both sides of the aisle in both Houses have agreed to.

I hope we can vote down the Feingold amendment.

I reserve the remainder of my time.

Mr. FEINGOLD. Mr. President, first, I want to correct the record. The Senator from Utah is incorrect that I never supported a version of the bankruptcy bill. I did, in 2002 when there was a vote on the Senate floor. Our late colleague from Minnesota and I used to have a little contest about who was the only one to vote ''no'' on a bill the most. This was a case where Senator Wellstone voted ''no'' and I actually voted ''aye'' for a version—a reasonable, balanced version—of a bankruptcy bill when it appeared on one occasion during the past 7 years. Unfortunately, that bill was not accepted and was basically rejected out of hand by those in the House who insisted on an unbalanced, unfair bill.

That is exactly what we have before us today. I reject the argument that this amendment in any way, shape, or form endangers this bill. How can that be the case?

The Senator from Utah has said this bill affects States rights with regard to the homestead exemption. This bill does affect the rights of Florida and Texas to have an unlimited homestead exemption, as it should. The Federal Government has an interest here in making sure wealthy people cannot abuse the system. I support that goal of stopping fraud.

The Federal Government also has an interest in making sure our senior citizens have absolute minimum protection for their homes when they are forced into bankruptcy, particularly because of unanticipated health care costs.

I am not creating some new precedent in this bill. This bill already changes state rules on the homestead exemption, and my amendment has absolutely no impact on the delicate balance achieved with regard to the high end of the homestead exemption.

This amendment is not intended to harm the bill, and, in fact, it does not harm the bill. It is simply trying to bring an element of fairness and balance to the bankruptcy laws with regard to senior citizens who might lose their homes.

I reserve the remainder of my time.

Mr. HATCH. Mr. President, it is my understanding the distinguished Senator from Alabama will have 2 minutes

before the Akaka amendment. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. HATCH. He does not need time from my time at this time.

The PRESIDING OFFICER. There is 1 minute of debate on the majority side.

Mr. HATCH. Mr. President, I would be happy to yield some of my time at this point, and then I will have an additional 1 minute immediately before the vote.

Let me answer my dear colleague from Wisconsin. My point is he has never been for this bill. Frankly, he knows this language in this bill is the result of tremendous compromise between the House and the Senate. His amendment, would bring this bill down. All of us would like to make changes. This is a complex bill. I think all of us, if we could be dictator for a day, would put our own imprint on this bill. But this is 8 years of work, and I don't want to see this bill brought down because one person doesn't agree with one provision. In the viewpoint of the distinguished Senator from Wisconsin, most of the protections he doesn't agree with. He is not going to vote for this bill, whether his amendment is agreed to. All his amendment does is create a confusion and a situation where literally this bill could go down.

We have to get this bill in a form which the House will accept, and this is the form in which the House will accept it.

I yield the remainder of my time to the distinguished Senator from Alabama.

The PRESIDING OFFICER. The Senator from Alabama.

AMENDMENT NO. 15

Mr. SHELBY. Mr. President, I appreciate the time.

I rise in opposition to the upcoming amendment submitted by Senator AKAKA. The amendment would amend the Truth in Lending Act and impose significant new compliance mandates and disclosure requirements on lenders.

This amendment makes considerable changes to an area of law squarely within the jurisdiction of the Banking Committee which I chair, and I hope it will not be included in the bankruptcy bill. This is simply not a dispute about asserting the Banking Committee's jurisdiction which we have here. The Akaka amendment, if it were agreed to, would be a significant change to the Truth in Lending Act.

This is a highly complex law, and amendments to it, must be considered carefully, and should be considered in the committee first.

I will be glad and happy to work with the distinguished Senator from Hawaii in that regard. But we have not had an opportunity to look at this, nor to conduct an appropriate examination of the substance involved in the amendment, and, therefore, there is no record upon which to base a judgment here with respect to the soundness of the provision. I don't believe this is either the time or the place for this amendment.

I will oppose the amendment.

VOTE ON AMENDMENT NO. 17

Mr. HATCH. Mr. President, I yield the remainder of my time.

The PRESIDING OFFICER. All time has expired.

The question is on agreeing to the amendment.

Mr. FEINGOLD. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The clerk will call the roll.

The bill clerk proceeded to called the roll.

Mr. DURBIN. I announce that the Senator from Hawaii (Mr. INOUYE) is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 40, nays 59, as follows:

[Rollcall Vote No. 14 Leg.]

YEAS—40

Akaka	Feingold	Murray
Baucus	Feinstein	Nelson (FL)
Bayh	Harkin	Obama
Bingaman	Johnson	Pryor
Boxer	Kennedy	Reed
Byrd	Kerry	Reid
Cantwell	Kohl	Rockefeller
Clinton	Landrieu	Salazar
Conrad	Lautenberg	Sarbanes
Corzine	Leahy	Schumer
Dayton	Levin	Stabenow
Dodd	Lieberman	Wyden
Dorgan	Lincoln	
Durbin	Mikulski	

NAYS—59

Alexander	DeMint	McCain
Allard	DeWine	McConnell
Allen	Dole	Murkowski
Bennett	Domenici	Nelson (NE)
Biden	Ensign	Roberts
Bond	Enzi	Santorum
Brownback	Frist	Sessions
Bunning	Graham	Shelby
Burns	Grassley	Smith
Burr	Gregg	Snowe
Carper	Hagel	Specter
Chafee	Hatch	Stevens
Chambliss	Hutchison	Sununu
Coburn	Inhofe	Talent
Cochran	Isakson	Thomas
Coleman	Jeffords	Thune
Collins	Kyl	Vitter
Cornyn	Lott	Voinovich
Craig	Lugar	Warner
Crapo	Martinez	

NOT VOTING—1

Inouye

The amendment (No. 17) was rejected.

AMENDMENT NO. 15

The PRESIDING OFFICER. Under the previous order, there will be 2 minutes of debate equally divided prior to the vote on amendment No. 15.

Who yields time?

The Senator from Hawaii is recognized.

Mr. AKAKA. Mr. President, I ask unanimous consent that Senator LINCOLN be added as a cosponsor of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. AKAKA. Mr. President, S. 256 includes a requirement that credit card issuers provide additional information about the consequences of making minimum payments. However, this provision fails to provide the detailed information for consumers on their billing statement that our amendment would provide. Our amendment will make it very clear what costs consumers will incur if they make only minimum payments on their credit cards. If this amendment is adopted, the personalized information they will receive for each of their accounts on their billing statements will help them make informed choices about payments they choose to make toward reducing their outstanding debts.

I urge my colleagues to support this amendment that will empower consumers by providing them with details and personalized information to assist them in making better informed choices about their credit card use and repayment. This amendment makes clear the adverse consequences of uninformed choices, such as making only minimum payments, and provides opportunities to locate assistance to better manage their credit card debt. I thank my cosponsors, Senators DURBIN, LEAHY, SARBANES, and LINCOLN, for their support.

The PRESIDING OFFICER. The Senator from Alabama is recognized for 1 minute.

Mr. SHELBY. Mr. President, this is a very complicated amendment. This is in the jurisdiction of the Banking Committee. It deals with the truth in lending law. We have not had any hearings on this issue. I would be glad to work with the Senator from Hawaii. We can sit down and see if we can do something on this issue. To bring it up on the Senate floor and try to make it part of the bankruptcy bill and bypass the Banking Committee is something we should not do. I hope we will not. I oppose the amendment.

Mr. HATCH. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second. The yeas and nays are ordered.

The question is on agreeing to the amendment of the Senator from Hawaii.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from Hawaii (Mr. INOUYE) is necessarily absent.

The PRESIDING OFFICER (Ms. MURKOWSKI). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 40, nays 59, as follows:

[Rollcall Vote No. 15 Leg.]

YEAS—40

Akaka	Feingold	Murray
Bayh	Feinstein	Nelson (FL)
Bingaman	Harkin	Obama
Boxer	Jeffords	Pryor
Byrd	Kennedy	Reed
Cantwell	Kerry	Reid
Clinton	Kohl	Rockefeller
Conrad	Landrieu	Salazar
Corzine	Lautenberg	Sarbanes
Dayton	Leahy	Schumer
DeWine	Levin	Stabenow
Dodd	Lieberman	Wyden
Dorgan	Lincoln	
Durbin	Mikulski	

NAYS—59

Alexander	Crapo	McCain
Allard	DeMint	McConnell
Allen	Dole	Murkowski
Baucus	Domenici	Nelson (NE)
Bennett	Ensign	Roberts
Biden	Enzi	Santorum
Bond	Frist	Sessions
Brownback	Graham	Shelby
Bunning	Grassley	Smith
Burns	Gregg	Snowe
Burr	Hagel	Specter
Carper	Hatch	Stevens
Chafee	Hutchison	Sununu
Chambliss	Inhofe	Talent
Coburn	Isakson	Thomas
Cochran	Johnson	Thune
Coleman	Kyl	Vitter
Collins	Lott	Voinovich
Cornyn	Lugar	Warner
Craig	Martinez	

NOT VOTING—1

Inouye

The amendment (No. 15) was rejected.

The PRESIDING OFFICER. The Senator from Massachusetts.

AMENDMENT NO. 28

Mr. KENNEDY. Madam President, I ask unanimous consent that we set aside any pending amendments. I send to the desk two amendments and ask they be immediately considered.

The PRESIDING OFFICER. Without objection, the pending amendment is set aside. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Massachusetts [Mr. KENNEDY] proposes an amendment numbered 28.

(Purpose: To exempt debtors whose financial problems were caused by serious medical problems from means testing)

On page 19, between lines 13 and 14, insert the following:

''(8)(A) No judge, United States trustee (or bankruptcy administrator, if any), trustee, or other party in interest may file a motion under paragraph (2) if the debtor is a medically distressed debtor.

''(B) In this paragraph, the term 'medically distressed debtor' means a debtor who, in any consecutive 12-month period during the 3 years before the date of the filing of the petition—

''(i) had medical expenses for the debtor, a dependent of the debtor, or a member of the debtor's household that were not paid by any third party payor and were in excess of 25 percent of the debtor's household income for such 12-month period;

''(ii) was a member of a household in which 1 or more members (including the debtor) lost all or substantially all of the member's employment or business income for 4 or more weeks during such 12-month period due to a medical problem of a member of the household or a dependent of the debtor; or

''(iii) was a member of a household in which 1 or more members (including the debtor) lost all or substantially all of the member's alimony or support income for 4 or more weeks during such 12-month period due to a medical problem of a person obligated to pay alimony or support.''.

AMENDMENT NO. 29

The PRESIDING OFFICER. The clerk will report the second amendment.

The assistant legislative clerk read as follows:

The Senator from Massachusetts [Mr. KENNEDY] proposes an amendment numbered 29.

(Purpose: To provide protection for medical debt homeowners)

On page 191, between lines 11 and 12, insert the following:

SEC. 322A. EXEMPTION FOR MEDICALLY DISTRESSED DEBTORS.

Section 522 of title 11, United States Code, as amended by sections 224, 308, and 322, is amended by adding at the end the following:

''(r)(1) For a debtor who is a medically distressed debtor, if the debtor elects to exempt property—

''(A) under subsection (b)(2), then in lieu of the exemption provided under subsection (d)(1), the debtor may elect to exempt the debtor's aggregate interest, not to exceed $150,000 in value, in real property or personal property that the debtor or a dependent of the debtor uses as a residence, in a cooperative that owns property that the debtor or a dependent of the debtor uses as a residence, or in a burial plot for the debtor or a dependent of the debtor; or

''(B) under subsection (b)(3), then if the exemption provided under applicable law specifically for such property is for less than $150,000 in value, the debtor may elect in lieu of such exemption to exempt the debtor's aggregate interest, not to exceed $150,000 in value, in any such real or personal property, cooperative, or burial plot.

''(2) In this subsection, the term 'medically distressed debtor' means a debtor who, in any consecutive 12-month period during the 3 years before the date of the filing of the petition—

''(A) had medical expenses for the debtor, a dependent of the debtor, or a member of the debtor's household that were not paid by any third party payor and were in excess of 25 percent of the debtor's household income for such 12-month period;

''(B) was a member of a household in which 1 or more members (including the debtor) lost all or substantially all of the member's employment or business income for 4 or more weeks during such 12-month period due to a medical problem of a member of the household or a dependent of the debtor; or

''(C) was a member of a household in which 1 or more members (including the debtor) lost all or substantially all of the member's alimony or support income for 4 or more weeks during such 12-month period due to a medical problem of a person obligated to pay alimony or support.''.

Mr. KENNEDY. Madam President, I had the opportunity to talk with our floor leaders. Because my amendments are related, I am prepared to discuss or debate these issues and to consider them together, if it is agreeable with the other side. Then we could enter into a time agreement and leave that up to the leadership as to when we might move ahead and vote on them, hopefully back to back, with a brief interlude of, I think, probably 4 minutes evenly divided, so we would have a chance later in the day to describe them.

I do not offer that as a unanimous consent request at this time. I just mention on the floor now that it is my understanding that it will be worked out by the leadership, so Members have some idea as to how we are going to proceed.

These two amendments relate to the health care challenges so many of our fellow citizens are facing in with regard to going into bankruptcy. We know at the present time there are 1.5 million people who go into bankruptcy every year. Half of those people go into bankruptcy because of medical bills. About three-quarters of those individuals who go into bankruptcy because of the medical bills have health insurance, but nonetheless the explosion of costs in health care have added such a burden to these families that they have had to go into bankruptcy. It does seem to me if the purpose of this legislation is to try to deal with spendthrifts and those who are abusers of credit, we ought to be able to distinguish between hard-working Americans, basically middle-class working families who have health insurance or those right on the margin who wish they had health insurance, who perhaps lost their health insurance because of a change in their employment, and then suddenly are facing catastrophic health needs, and those who irresponsibly acquire debt.

What are those types of health needs? We start off with cancer. The average out-of-pocket expenditure, even for families who have insurance, is approximately $35,000. That often is enough to trigger a family to go into bankruptcy because of the limitations it puts on the income of the families. Often it is one of the breadwinners of the family who becomes ill, and it is the loss of that breadwinner's income, not only the medical bills, that in frequent instances drives that family into bankruptcy. I will give some examples of why that happens.

It does seem to me we should not apply the harsher provisions—and they are harsher provisions, what is called the means test—the harsher provisions that put an additional penalty on those families than already exists in the current bankruptcy law. That effectively is what one of the amendments addresses.

The second amendment says if those families are going to go into bankruptcy, then we are going to let them preserve their homestead to the extent of $150,000 of equity in their primary residence through a homestead exemption.

The average cost of a house in this country is $240,000. It is vastly more expensive in my part of the country. In

Massachusetts the cost of housing is the second highest in the country. In many of the areas in the Northeast, in the coastal areas, and even in the heartland of this Nation, housing is much more than $150,000.

What we are trying to say is that it is hard enough, meeting the personal burdens of illness and sickness and disease—in the case I just mentioned in terms of cancer, but those conditions apply as well if you have heart disease, stroke, other kinds of serious illness, or if you have a child who has serious illness: autism, spina bifida, the whole range of challenges which infants have. More often than not, the health insurance proposals, most that I have seen, exclude any complications in the first 10 days of life. That is the time the illness or sickness is detected in many of these children, and that is when the economic spiral down starts.

What we are saying in these two amendments is, No. 1, it is difficult enough to face the pain and anxiety of a serious medical condition. You should not have the more punitive provisions under the means test. We can go into details about how they would be expected to pay a good deal more from the means test even though under the current law they would not have to. They would have their assets and their liabilities and there would have to be a determination for the payment, what assets they have, and then they could start fresh. Under the means test it would mean further obligations for the next 5 years, and the real question is how some of these individuals would be able to survive and, secondly, to say these families face a serious enough problem and they should not lose a home where they have equity of $150,000 or less.

There will be those who say this bill is not about our health care system, which has its good points and has its bad points. We are not debating that today. We ought to debate comprehensive health care for this country, and ways we try to get a handle on health care costs—that is all well and good. But what we have to do if we are going to try to be honest to the consumers and families of this country is talk about what the implications of this legislation are going to be.

One of the serious facts that remains is for those people who have serious indebtedness through no fault of their own, who have worked hard, played by the rules, have gotten health insurance or in other instances lost their jobs, they are not going to be penalized and forced into indentured servitude, basically, for the credit card companies—because they are the principal beneficiaries of these provisions. So it is only fair we say that.

People will say we have homestead laws in this country. They apply across the Nation. The fact is, in most of the parts of the country, the homestead provisions are less than $25,000—$25,000 or less. The fact is, this legislation applies to 50 States, not to one State or two States. It applies to 50 States. It has application to all the people in all 50 States. So if we are going to apply something to all 50 States, why not at least have some uniformity? We think it is difficult enough and tragic enough that you are going to have a health challenge that is going to wipe out your family and perhaps even cause death; we are not going to take a home away that is worth $150,000.

Those are the facts. Those are essentially the provisions. I will mention them in greater detail.

The first amendment exempts from the means test any debtor whose severe medical expenses have caused financial hardship and forced them to file bankruptcy. Financial hardship is defined in the amendment as one of the following: Being out of work for a month or more or unreimbursed medical expenses totaling 25 percent of your income. This is your out-of-pocket, after all the other expenses—25 percent of your income. We estimate that about 20 percent of all bankruptcy filers—this doesn't even reach all of those who are going to be medically bankrupt, but it would reach about 20 percent of all bankruptcy filers in this category. They would be exempted from the means test through these provisions.

The proponents of the bankruptcy bill have said the goal of the bill is to force those individuals who run up bills irresponsibly to take greater personal responsibility.

They claim that people are going to the mall making frivolous purchases such as plasma televisions and designer clothes and then going to bankruptcy court to discharge their debts. Nothing could be further from the truth for the thousands of individuals who are forced into bankruptcy to deal with the debt they were forced to take on to cope with serious medical expenses and the loss of income when they are unable to work due to serious illness or injury.

We had testimony from Professor Elizabeth Warren of the Harvard Law School last week making clear that more than half of those filings for bankruptcy have been forced to do so at least in part due to medical problems and their aftermath. If the goal of the bill is to deal with those individuals who some feel are abusing the bankruptcy process, we ought to protect those individuals who are forced into bankruptcy through no fault of their own.

We will listen to the proponents of the bill say: Look, we want to have people responsible here in the United States of America. Those people who go out and buy the fancy yachts, go to the mall, run up bills, ought to be held accountable. Absolutely, I say. Put me on as a cosponsor. But that ain't what this bill does. As a matter of fact, there is an enormous loophole in this bill that ought to shame its proponents who have left it in there with regard to spendthrifts. We will come to that later.

Let me finish a brief description of these two amendments.

Those who go to bankruptcy court because of cancer or diabetes and heart attacks have not been irresponsible. Those who file for bankruptcy to deal with medical debts incurred when a child was born early with severe complications or an elderly parent needing costly prescription drugs or placement in a nursing home are not irresponsible. These clearly are not the type of debtor the proponents of this bill say they are; the kinds of debts that the proponents of the bill are trying to address. They deserve a chance to make a fresh start, and a specific exemption from the applications of the means test gives them that chance. They will still be subject to the bankruptcy law as it is today but not the additional kinds of punitive aspects that exist in this proposed bill under the means test.

The second amendment provides that medically distressed debtors be allowed to protect, at a minimum, $150,000 of the equity in their primary residence through a homestead exemption.

The enormous increase in medical debt and the bankruptcy cases caused by medical debts, along with the significant increase in real estate prices over the recent years, have led to a new and rapidly growing problem. Families who face insurmountable debt problems following serious medical problems are faced with obtaining relief from their debts in bankruptcy only if they give up their homes. A family should not have to lose their home to obtain relief from debts caused by serious medical problems. These families should not be forced to choose between debt relief and losing their modest homes.

In nearly half of all States, homestead exemptions are less than $25,000. Several States have no homestead exemption. People facing bankruptcy in these States are often forced to give up their home to obtain debt relief.

In a chapter 7 bankruptcy case, the family with equity greater than the State exemption limits can be forced to give up their home. In chapter 13, the family must pay the creditors an amount equal to the equity above the homestead exemption, which they cannot afford. The amount of equity a homeowner can protect in bankruptcy has not kept up with the rise in home prices. This change of $25,000 has been there for years and years. I don't know where you can find a home in this country for $25,000. With incomes of $800 or $1,000 per month, they could live in their current homes, which may be paid off, and have low monthly costs. If they are forced out of their homes, they can't afford to rent a decent place

to live. Effectively, these homeowners have no bankruptcy relief available to them. They sell the home, and they are told, OK. They are on a fixed income of Social Security, getting $1,000, perhaps, a month. How are they going to be able to afford to rent the places available to them at $800 to $1,000 and have enough to live on?

The notion of forcing people out of their homes after an illness or an accident is made more outrageous by the fact that in a handful of States, debtors of all kinds—famous sports figures, doctors who drop their malpractice insurance, real estate tycoons—can shelter millions of dollars in homestead.

Do we understand that?

In this legislation, there is a handful of States where individuals can shelter their homes from creditors who won't be able to get access to it. Yet when we say, OK, let us just protect others in other States up to $150,000, they say, No, we are not going to do that, no, because you know the States ought to make the decision. This bill applies to 50 States. If you are going to take that position, why not wipe out the exemption that exists for these handful of other States? Where is the fairness in this bill? Where is the fairness? Why should wealthy individuals be able to shelter their income in half a dozen States and escape all of the harshness of this bill and other hard-working, decent people who have lived in their homes over a lifetime find out their housing disappears as it goes into bankruptcy? Please. Where is the fairness? Where in the world is the fairness?

Mr. DURBIN. Mr. President, will the Senator yield for a question?

Mr. KENNEDY. Yes.

Mr. DURBIN. I want to make sure that people following this debate understand what is at issue.

The Senator is talking about someone who, because of the diagnosis of medical illness or treatment of a medical illness, ends up incurring a crushing debt they can't pay back, and their health insurance doesn't cover it. The Senator from Massachusetts is suggesting that those individuals who are facing bankruptcy, at least when it is all said and done, have their homes to return to, to the tune of $150,000, which is a modest home in most places in America. Is that what the Senator from Massachusetts is talking about?

Mr. KENNEDY. The Senator is absolutely correct. The average cost of a home in America is $240,000. We are only talking at $150,000. I am sure the Senator can relate to us the kinds of situations that I see of these three-decker houses, not only in Boston but in many of the older cities and in my State where families have lived there for years and years. They see the increase in the water rate of $50 to $75, and they wonder how they are going to be able to afford it.

What we want to say is to those individuals who are faced with hardship, worked hard all of their lives, more often than not have been able to get health insurance but find out that health insurance is not enough. As a result of cancer, serious heart failure, serious illnesses, diabetes, or a child that needs special kinds of attention, they go in to debt—after it is all said and done, let them list their assets and their liabilities and pay what they need, but don't take their home away from them.

Mr. DURBIN. If the Senator will yield further for a question, as I understand, what the Senator is saying is that in some States you could have a person who was a compulsive gambler who went deeply into debt to the point that they faced bankruptcy, but if they are smart enough to take the remaining assets they owned and put them into a home to the tune of $1 million—if they pick the right State, such as Florida—that compulsive gambler, irresponsible person who goes to bankruptcy court will be protected by the law of Florida, be able to keep their multimillion dollar home. Yet in a State such as Massachusetts or Illinois, if someone faces devastating cancer diagnoses, treatments that costs more than they can ever pay back, they could go to bankruptcy court and loose their homes, but the gambler keeps his multimillion dollar home. In other States, the person who has a medical diagnosis they never expected ends up losing their home under the current law we are considering.

Mr. KENNEDY. Perhaps the Senator can explain how that meets any definition of fairness, how that meets any requirement of treating people equitably.

We have the proponents in the Senate Chamber; they ought to be able to explain that. They have resisted treating the families the same in all parts of the country. This is one of the fatal failures in this one area, the homestead area.

The Senator is absolutely correct. As the Senator knows, we are talking about individuals who have worked hard more often than not, have gotten health insurance and tried to provide for their families, but then that incident occurs, the cancer occurs, the heart failure occurs, the diabetes occurs.

We have a growing aging population. Increases in bankruptcy among the elderly have risen by two or three times in the last 5 years. The basic projections are increasing because they will have increasing health care needs.

We are saying to these individuals who have been part of this American fabric and have helped more often than not in fighting our wars, they have built this country, saved for their children, now they will end up getting thrown out of their home through no fault of their own because they are blighted with some form of cancer.

Mr. DURBIN. If the Senator will yield for a question, I will give an example of a family in my home State of Illinois and what happened to them. Ten years ago, Randall Lemmon and his wife Mary were living in Champaign, IL, downstate Illinois. His wife was diagnosed with an autoimmune disease, sceradoma, a connective tissue disease which can debilitate very quickly. Within months of her diagnosis, Mary experienced the loss of independent functioning and found herself needing assistance with even the most basic tasks in life. She eventually collapsed and went to a nursing home, which was not covered by the family's insurance. Eventually she died, leaving behind her husband, five children, and a $150,000 nursing home bill. As a result, they were forced into bankruptcy.

Currently, in Illinois you can only protect $7,500, up to $15,000 in the value of your home. What could anyone live in for $15,000? Here is Randall Lemmon with five children, and because he was forced into bankruptcy court he would lose his home.

Senator, you are saying, at the minimum, let him at least protect $150,000 in his home to raise the five children after his wife has died in a nursing home; is that what your amendment says?

Mr. KENNEDY. The Senator is absolutely correct. He gives an enormously persuasive argument.

These are hard-working people, as the Senator has pointed out, affected by an illness. They are getting caught up in the system.

This bill was supposed to be about spendthrifts. This bill does not take care of the sheltered income, as the Senator from Illinois points out. It does nothing about the corporate irresponsibility where the corporations go into bankruptcy and leave their workers high and dry and they walk off with the golden parachutes.

We see health care coverage lost for these families who have paid in for 20 or 30 years. WorldCom closed down, Polaroid closed down, Enron closed down, their health benefits are cut off, they get cancer, the bills run up, and what does this bill do? It puts them into indentured servitude to the credit card companies.

We call that fairness? That may be the priority of some in this body, but it is not mine. Who do we in this body represent? The credit card companies who make record profits? They are the principal beneficiary of this legislation: $30 billion in profits last year, and they want $35 billion. The best estimate is the credit card companies are going to get $5 billion more out of this bill.

Who are they going to get it out of? They are going to get it out of that family the Senator from Illinois just discussed.

That is what we are about in the Senate? We have the problems of unemployment, the escalating costs of prescription drugs, 8 million of our fellow citizens unemployed, school tuition going through the roof, and we are talking about an additional $5 billion for the most profitable industry in America. Hello. Hello. That is what we are debating here. It is extraordinary.

I heard this morning that some of our friends on the other side went up to the press to announce their poverty program. Imagine that. This will drive more and more people into poverty, and our friends on the other side announce how they will address poverty in this Nation. And what are we seeing happening with the increase of poverty for children? For the first time, again, infant mortality is going up for minorities in the inner cities.

We have an explosion of asthma in the inner cities of this country, twice the deaths we had 5 years ago as a result of deterioration of conditions. My gosh, and we are debating the credit card company profits. This is what we will do to our fellow citizens?

Let me mention who else is affected. Christopher Heinrichs was diagnosed with melanoma in 2002 after visiting a dermatologist for a routine consultation after discovering a small discoloration. He was given a prognosis of 5 years to live. He was director of operations for a truck parts company. His wife Deborah was a $14-an-hour office worker. They had a joint income of $140,000.

Listen, middle America, listen to what happened to this family. Christopher had good health insurance that covered 90 percent of his hospital costs. He also had disability benefits and life insurance through his employer. The 10 percent cost sharing on Christopher's prescription drugs cost $100 a week. Copayments for three surgeries, seven rounds of chemotherapy added up. Christopher continued to work but was laid off from his job a year after his diagnosis. He had to pay $969 per month to keep his health coverage after he lost his job. Christopher's health insurance had a $100,000 maximum benefits cap which they reached at the same time they learned the cancer had spread to his colon. They had to give up the family car and were ultimately forced to file for bankruptcy in the summer of 2003 and discharge their debt. Christopher died in April 2004 at the age of 47, leaving his widow and two sons, Joshua, 17, and Travis, 14, and left an additional $90,000 in hospital bills for costs after bankruptcy. They also have had a bill for $3,100 for Christopher's cremation.

And we are going after this family with a means test, an additional kind of burden to squeeze out whatever this family is going to be able to try and put together for the next 5 years? That is what the means test does.

Where do you think you get the next $5 billion for the credit card companies? They get it by squeezing these families for $35, $50 a month, $75 a month for the next 5 years.

Kelly Donnelly was diagnosed with skin cancer, September 2003. Her family lived in Oswego, NY, with a joint income of $32,000. They owned a three-bedroom house with a daughter and a second on the way. When Kelly, 26, became too weak to work, she had to quit her drugstore job, leaving the family with only $20,000 in income. Even though Andrew received health insurance from his job, copayments from Kelly's treatment and medication for the new baby who was delivered prematurely so Kelly could undergo cancer surgery, totaled $330 a month. The couple lost their house, filed for bankruptcy in August 2004, were forced to move to an apartment, had to give up the family dog because pets were not allowed there. Because they had defaulted on electric bills they had to put down a $500 deposit to turn on the power in their new apartment. Their medical bills totaled $20,000.

This is what is happening. We are going to put additional burdens, besides the existing bankruptcy law, on those people? This bill does.

I am going to speak about two individuals whom I will call ''TT'' and ''ST'' from Minneapolis, MN. They do not want their names mentioned. They had good medical insurance from ''T'' 's job with the State of Minnesota, but when ''T'' retired, he could not afford the $941 per month for his health insurance. He paid for a few months, and then he couldn't anymore. ''S'' was diagnosed with breast cancer in February 2004, after being misdiagnosed in September 2003. ''S'' was misdiagnosed, as I mentioned, in September 2003, when she had health coverage. The first 3 months of her cancer treatment cost $26,000, and they have no health insurance. They were forced into chapter 13 bankruptcy to try to save their home. Unfortunately, they were unable to make enough to pay the chapter 13 payments to save their home, and they ultimately had to sell it for less than it was worth before it was foreclosed and convert their chapter 13 filing to a chapter 7 case.

We have constant examples. We know one out of four people die from cancer, and we know about one out of four die from heart disease. We know that today. We can look around at any kind of group. These are the statistics. If you have good health insurance, with the exception, perhaps, of the health insurance we have in the Congress of the United States, which we do not extend to the American people—we are pretty well protected, but not those people out there. I am tired, when one person tries to extend the same kind of health care we have to people out there, of people on the other side who say: Well, we are not going to support you. The problem is the health care problem, and we ought to deal with that. This is a bankruptcy issue.

Come on. Come on. They oppose us when we try to pass health care legislation, and then they oppose us when we try to deal with the health care problems that are going to be impacted by the bankruptcy bill. It does not work that way. At the same time, we have all the circumstances that take place in the corporations.

I want to mention the various groups, once again, that are supporting us. We have the American Bar Association. We have about 80 percent of the representatives of the trade union movement, the Alliance for Retired Americans. We have the Consumer Federation of America. We have the Leadership Conference on Civil Rights, which understands that this, as well, affects many minorities in this country. We have the National Women's Law Center because of the impact of this legislation on women. We have Physicians For A National Health Program, some 2,000 doctors—2,000 doctors from across this country—who understand and say: Do not pass this bill because of the health implications. Don't do it, Senate, if you care about what is happening to your fellow citizens out there across this country. They are facing enough challenges with the explosion of health care costs, the explosion of prescription drug costs, and the dramatic decline in health care coverage. Don't do this to them. It is too unfair. It is unwise. But no, no, we are going ahead.

We have support from group after group after group. I think it is time we give consideration and priority to the workers in this country.

I will mention, quickly, a final couple of points to give a bit of an overview about where we are in these medical bankruptcies. Annually, half result from illness; nonmedical causes, 54 percent; medical causes, 46 percent.

This is from the Health Affairs study that was done this year.

We know there is a dramatic increase in the number of uninsured. So it makes a good deal of sense we are going to have an increased number of medical bankruptcies because we are seeing the total number of individuals who are not being covered dramatically increase. Now it is up to 45 million. With all respect, the reason it did not go up higher, is because we had the CHIP program that enrolled several million children. If we had not done that, these figures would be right up through the roof.

Here is the cost. We have not only the coverage issue, but you see the cost of single coverage in 2000 at $2,400; in 2004, $3,600. For families, it has gone from $6,300 to $9,950. There has been an explosion in the costs, an explosion in the number of companies that do not

provide coverage, and an explosion in the number of companies switching to part-time employees who do not get benefits like insurance.

We see the difference in the cost for Medicare premiums and Social Security. You wonder why this is a particular burden on seniors? Listen to this. Basically, seniors paid for their Part B premiums with their COLA increases in Social Security. But what we are finding out now is they are falling farther and farther behind in that ability to pay. What you are finding out now is the increase in premiums is 72 percent over the period of the last 4 to 5 years. For Social Security, it is 12 percent. So increasing numbers of seniors on Social Security are unable to keep up with part B premiums. And this does not even include the new prescription drug bill, where you are going to find out it is even more costly.

There are 3.9 million Americans who are affected by bankruptcy. You have 700,000 dependents, 1.3 million children, and the bankruptcy filers, 1.9 million—effectively 4 million of our fellow citizens who are affected by this provision.

As my friend from Illinois pointed out, when you take a look at the failure to deal with, on the homestead issue, the high rollers in States that have high homestead protections versus working families in 90 percent of the other States, that is unfairness.

In my State of Massachusetts, if you talk about the problems of bankruptcy, on the lips of most of the workers would be Polaroid, that great company that started with Ed Land, who was an absolute genius, who developed instant film. And finally, after he left, the company ran into difficult times, and they went bankrupt. I will mention what happened to those individuals.

Polaroid filed for bankruptcy in 2001. In the months leading up to the company's filing, the corporation made $1.7 million in incentive payments to a chief executive, Gary DiCamillo, on top of his $840,000 base salary. The company also received bankruptcy court approval to make $1.5 million in payments to senior managers to keep them on board. These managers, collectively, received an additional $3 million when the company assets were sold off.

By contrast, just before Polaroid filed for bankruptcy, it canceled the health and life insurance for 6,000 retirees, coverage for workers on long-term disability.

Do you understand what we are saying here? Here you have these individuals who lost their coverage. Can you imagine the number of those individuals who do not have health insurance and then run into serious health problems, cancer or heart disease? What happens to them?

This is a typical example. We have other examples of corporate abuse which I will come back to. I hope the Senate—we might not be accepting a lot of amendments—but I would hope the managers could find a way to accept these two amendments. It would make an enormous difference in terms of the legislation and the fairness and its implications for middle America.

Madam President, I yield the floor.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Madam President, I sat here and listened to my dear colleague from Massachusetts, and almost everything he has spoken about is a flaw in the current bankruptcy system we are trying to change. It is the current bankruptcy system that we have been trying to change for 8 solid years. And guess who one of the principal voices against changing it is? Why, none other than my distinguished friend from Massachusetts, and my distinguished friend from Illinois, who make these great populous arguments on the floor that sound so good. I do not want to characterize them in my Utah terminology, but they are not accurate.

How is that for being a person who uses discretion?

If you listened to the distinguished Senator from Massachusetts, you would think this country can spend trillions of dollars solving every person's problem. I have been here 29 years. I have never heard the distinguished Senator from Massachusetts once ask: Where are we going to get the money to pay for this? How do we pay for this? How do we justify it?

It is easy to talk about taking care of everybody in every way, universal health care, and to decry a Medicare reform bill that adds no less than $400 billion, but maybe as much as $750 billion now—according to CBO, OMB, and other analysts—and say it does nothing for the poor when that is exactly what it does do, a lot for the poor.

In the 8 years we have tried to correct these infirmities in the bankruptcy bill, we have not had any help from many who are speaking on this floor criticizing this bill today. They have never been for any change unless it is their change in bankruptcy, changes they could not get through the Senate floor. And we have come up with a bill that has been basically passed by huge majorities every time it comes up on the floor because we are trying to correct some of the things the distinguished Senator from Massachusetts is complaining about.

Yet I do not believe—and I can't speak for him—that we have a chance of having him vote for final passage of this bill. It may be because he differs with part of it, as I do. But I am trying to do the best we can in two legislative bodies that have great difficulty passing legislation as complicated as this with as many nuances and changes as this will make in the current laws that will be for the betterment of people in our society and in our country today.

I rise today in total opposition to these two Kennedy amendments. I commend Senator KENNEDY for his longstanding commitment to health issues. Most of the health care bills that work in this country are Hatch-Kennedy or Kennedy-Hatch bills over the last 28 years. He knows he can't accuse me of not having compassion for the poor and for those who have difficulty. We wouldn't have passed them had it not been for bipartisan efforts of Republicans and Democrats. So don't let anybody get on this floor and act as though only one side cares about the poor. That is not only a joke, it is a sad joke at that.

I know how devoted the Senator from Massachusetts is, and I share his general concerns about people in our society today who are hard-working people. However, I do not believe these two amendments are the answer to their problems. We accepted the Sessions amendment yesterday. It speaks directly to the circumstances surrounding serious medical conditions, which would be a major change over current law that I believe the distinguished Senator from Massachusetts and others, including the distinguished Senator from Illinois, will vote against in the end because they don't agree with some aspects of this bill. I don't agree with some aspects of this legislation, but I have worked my guts out to try and get a compromise here that will help the poor, that will help our society and will make people more honest, that will stop some of the fraud and abuse.

To continually make this sound as though it is a credit card company bill—give me a break.

I note the distinguished Senator from Massachusetts mentioned the Warren study when he says that half or thereabouts of the people go into bankruptcy because of medical conditions. That study is so flawed, nobody who is in their right mind is going to accept everything in it. First of all, it includes all gambling; that is a medical condition. Drug abuse and alcohol abuse, they are medical conditions. I agree maybe that may be. But those are voluntary medical conditions. It may be somebody is crazy because they gamble all the time. I have known compulsive gamblers. But is it a medical condition that justifies allowing people to cheat their creditors, as is going on in this country today? I don't think most people would agree with that. If you look at the statistics in the Warren report, you have to say: My gosh, why would anybody rely on that?

I believe it is worth pointing out that that report includes gambling debts as a medical condition under the rubric of medical expenses. Let's get real.

This bankruptcy bill is fair. It is needed. I pointed out several abuses yesterday, and I am sure will point out more before this debate is over.

The issues the distinguished Senator from Massachusetts has raised are important ones, as far as I am concerned.

Make no mistake about it. But I think we ought to change current law to address them. This bill does to a large degree.

All we hear from Democrats over the years is: We need a means test so the rich pay more. Why are they suddenly against a means test to protect the poor, a means test that requires those who can pay something against their debts rather than every 5 years go into bankruptcy after running up bills galore? Why shouldn't they have to pay or at least try to pay? A means test protects those who are designated poor. And frankly, there are other rules in this new bill that will protect those who are above the means test better than current law.

I would suggest to the distinguished Senator from Massachusetts, if he wants to correct some of these problems—all of which he has raised under current law as though they are going to be caused by this bill—he ought to vote for this bill, because it takes dramatic steps to change in current law the things he has been complaining about and that I happen to be concerned about as much as he is and others on this floor as well on both sides.

For 8 years we have fought to bring both sides of this floor together. For 8 years we have fought to bring both Houses of Congress together. For 8 years we have tried to correct these deficiencies in the Bankruptcy Code. This bill doesn't correct everything, but it does make strides. It does make real efforts to try and not only be fair but to get people to be responsible for their debts when they have the ability to be responsible for their debts.

The issues the distinguished Senator from Massachusetts has raised are important ones. Make no mistake about it. But let me shine a little more light on these issues. The people the distinguished Senator from Massachusetts and the distinguished Senator from Illinois have held out as victims of the means test will be in fact protected by that test. That is what is amazing to me, how we can hear these populous arguments on the floor as though that is reality. We have heard this so many times. As the decibel level goes up, the reality of those arguments is less and less real.

The Sessions amendment yesterday makes sense, trying to do something about what the distinguished Senator from Massachusetts is complaining about. The things he is complaining about are in the current law we are trying to change. The means test protects the poor.

Now are there going to be problems with any bill that comes out of the Congress? Sure. We have to make an effort to do the best we can to resolve these problems and this bill does make the best effort we can between both Houses of Congress to do so.

I might add that the other amendment of the distinguished Senator from Massachusetts provides a homestead exemption for medically distressed debtors. Well, medically distressed debtors should be taken care of under the Sessions amendment because he specifically provides for that.

We had a vote this morning on a homestead amendment. We all know we cannot accept the amendment. It is an issue for the States, pure and simple. The reason we can't is because after 8 years of careful, serious negotiations, after 8 years of that, we have arrived at a compromise that, though imperfect, is the best we can do. That is what legislating is all about. I wish we could make every bill perfect. Unfortunately, we have to deal with imperfect people. Some of us may think we are perfect and that everybody should do exactly what we think they should do. That isn't reality around here.

So we do the best we can. After 8 years, after multiple votes, and after votes overwhelmingly in favor of this bill, because it makes tremendous changes from current law that do protect the poor, and others as well, and those who are losing billions of dollars because of it—at least millions, because of fraud—we are trying to do what has to be done.

Let me make a few remarks about the Kennedy amendment and why it should be rejected. Yesterday, we acted to adopt the Sessions amendment by a broad 63-to-32 bipartisan vote. The Sessions amendment included medical costs as a factor to be considered under the special circumstances provisions under chapter 13. That amendment will allow those who make those decisions to determine whether people are going to be inordinately hurt by being pushed into chapter 13. You have to believe there are idiots in the system who will not resolve these types of major problems, especially the ones the distinguished Senator from Massachusetts has been talking about.

Please recall that under the so-called means test Senators DURBIN and KENNEDY are trying to vilify today—when they are always arguing for means tests for the rich—will only result in about 10 percent of those who file for bankruptcy will be required to repay any of their debts out of future earnings. That is right, only 10 percent right off the bat. Eighty percent of those individuals who make under the median income will ever face the prospect of paying past debts out of future earnings. Of the remaining 20 percent, only about one-half will ever be required to pay. When all is said and done, only about 1 in 10 of those who filed for bankruptcy will ever be required to pay past debt from future earnings under the means test.

Medical expenses will be eligible as a factor in determining if and how much money will be repaid by those relatively few—1 in 10—who qualify under the mischaracterized means test. That is not an onerous test; it is fair. It treats medical expenses fairly. That is what we accomplish with the bipartisan 63-to-32 basically overwhelming vote on the Sessions amendment yesterday.

Now, the Senator from Massachusetts opposes this bill. That is no secret. He has opposed every bill we have brought up here in the last 8 years. We should oppose his amendment because the bill already adequately responds to the subject matter of his amendment. By the way, again, all of the litany of bad things that are happening to people, and especially the hard-working poor, are occurring under the current bankruptcy system we are trying to change and make better.

I will also acknowledge that I wish I could make this bill even better. But in all honesty, we are to a point where if we want to correct the wrongs in society that are occurring in bankruptcy, this is the chance to do it, and then let us work in the future to correct what needs to be corrected in this bill. But this is the only chance we have to correct some of the ills the distinguished Senator from Massachusetts is bringing out here today. I commend him for being concerned about those ills, but if he is, he ought to be voting for this bill because we at least do something about it. It may not be exactly what he wants; it is not exactly what I want; but it is the best we can do when we consider this bicameral legislative body called the Congress of the United States.

Again, I want to speak in favor of S. 256—and I think I have been—the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005. This issue has become more important over the last 8 years, when we started to work on reforming the system. It is more important than ever today. Bankruptcies are up markedly.

Over the past decade, look at how they have gone up on this chart. From 1947, all the way up to 2003, you can see how, since about the late 1980s, it automatically shoots up like mad. I know people in Utah who run up all the debts they can for 5 years, then go into bankruptcy, and then they do it again. This is happening much more than it should. As we pointed out yesterday, we have more bankruptcies in 1 year now than they had in the whole Depression of 10 years.

The bankruptcy system can be improved. It seems unlikely that consumer bankruptcy abuses are going to get better without this legislation. I will recount some of the glaring facts about this problem. First, we are seeing more bankruptcies filed every year than in the entire decade of the Great Depression, as I have mentioned. Our economy has generally grown over the

last 10 years, and we have enjoyed relatively low unemployment and low interest rates. But despite this, we continue to see record numbers of bankruptcy filings every year. Why is that?

One factor may be that too many people view bankruptcy as an easy way to erase their debts, rather than as a means of last resort. This affects all consumers. When creditors are left without payment, they have to pass these costs on to all of the rest of us. It costs us in terms of higher interest rates, higher downpayment requirements, shorter grace periods, higher penalty fees, late charges, and retailers are forced to raise prices, all because of the abuse of the bankruptcy system, which this bill would do a great deal to correct.

If you want to help the poor, vote for this bill because this bill will save the poor at least $400 a year, minimally, for each household. Bankruptcy can also cost job loss among those who are victims of uncollected obligations. Part of the problem with the current bankruptcy system is that it allows certain higher income individuals to wipe away debts that they can and should be required to pay. Some have mischaracterized provisions in the bill that require some individuals to repay past debts with future earnings. The provision in the bill—the so-called means test—applies only to those persons above the median income. Where a higher income debtor has the means to repay, the means test established in the bill would require such debtor to shoulder more responsibility in paying the bills they have incurred. For debtors below the median income—which is over 80 percent of all filings—there would be no presumption of abuse. But even for those above the median with means to repay a substantial part of their debts, a judge would still have the ability to allow a liquidation bankruptcy to proceed in cases of hardship.

This is not the onerous bill that some of my colleagues would have you believe. Throughout the course of the debate over the last four Congresses, we have had different arguments from opponents of this legislation. It is always the same opponents. Some of those failing arguments are rearing their heads again in this debate. And again, the arguments they are making basically criticize current law that we are trying to change with the bankruptcy bill, we believe for the better. Can you find some flaws in this? Of course, and so can I. But it is head and shoulders over current law and over some of the illustrations my friends on the other side have brought up.

Let me take a few minutes to dispel a few of the more prominent myths about the bill. First, some suggested that higher debt burdens have led to the dramatic spike in bankruptcy filings over the last 25 years. The basic measurement for establishing financial distress shows that this is simply not the case. The debt service ratio—a measurement of income to expenses—has remained relatively constant over the last 25 years, as this chart behind me illustrates. The bottom red line shows the bankruptcy filings per 1,000 families from 1980 up until 2001. The black line on the top is the debt service ratio. This shows that bankruptcies have not increased due to a decreased ability to make payments on debt obligations. Examining the lowest 20 percent of income earners shows that even when the debt service ratio in these categories declined or stayed the same, bankruptcies overall still climbed dramatically, as the next chart reveals. The bottom line, as you can see, is consumer liabilities between 1979 and 2001. The red line represents consumer assets between 1979 and 2001. The green line happens to be the consumer net wealth between 1979 and 2001. They have all gone up—even the bottom line, the consumer liabilities—but not very much. The others have gone up much more. The consumer assets and consumer net wealth have gone up much more.

Another measurement of financial distress is net wealth, the amount of assets against liabilities. But this test, too, shows that even as net wealth has soared, as was shown on that prior chart, bankruptcy filings have soared as well.

This chart makes the point. The bottom line is revolving disposable personal income. That has gone up from 1959 to 2003. The red line is the nonrevolving disposable personal income. As one can see, that has gone down. The black line on top is the total disposable personal income which has basically remained the same, except it has gone up a little bit in these past years.

Another exaggerated myth is that increased use of credit cards is the cause for more and more bankruptcies. But, again, the facts strongly suggest this simply is not the case. When there has been an increase in the use of credit card debt, this was largely due to a substitution for other high-interest debt.

The chart behind me shows that while revolving debts, such as credit cards, have increased as a percentage of disposable personal income, there is a corresponding decrease in nonrevolving debt. The net effect is that overall consumer indebtedness has remained roughly the same.

Others have tried to argue that increases in housing costs are a major reason for skyrocketing bankruptcy filings, but the amount of income going into mortgage expenses has remained steady over the years. According to Professor Warren's book, ''The Two-Income Trap,'' which was cited favorably by the distinguished Senator from Illinois, Mr. DURBIN, yesterday, in the early seventies, mortgage payments constituted 14 percent of a typical family's income.

Here is a chart showing the allocation of income. The red part on the left, the large part, which is 46 percent, happens to be discretionary income. The purple small part is health insurance, and that amounts to 3 percent. Discretionary is 46 percent. The mortgage people are paying is now 14 percent, about the same as it has always been, in that little section of red. The yellow is automobile, which is 13 percent of income, and taxes are 24 percent.

In all honesty, 30 years later, according to Professor Warren, this percentage actually fell to 13 percent. As this chart shows, the mortgage went down to 13 percent. Obviously, attributing the rise in the bankruptcy rate to higher mortgage payments does not appear to be borne out by the facts. Further debunking this myth is the fact that default rates on mortgages have also remained fairly steady over the years.

Another prominent myth about this issue is that about 50 percent of all bankruptcy filings is caused by medical debts. We heard the distinguished Senator from Massachusetts in very excited terms talk about these type of debts, medical debts. Undoubtedly, there are many bankruptcies caused by medical debts. This is why this bill makes several exceptions for treatments of health expenses and health insurance, something that does not exist today. These exceptions do not exist today. This is why we were so pleased yesterday that the Senate adopted the Sessions amendment that explicitly identified medical costs as a factor to be taken under consideration by a bankruptcy judge in deciding whether there are special circumstances that affect a debtor's ability to pay.

But the study cited for the proposition that 50 percent of bankruptcies are medically related is misleading at best. This claim is based on the study conducted by Professor Elizabeth Warren, but this study does not even purport to claim that medical bills were the primary basis for half of bankruptcy filings, as the charts of the Senator from Massachusetts seem to indicate; the study merely claims that about half the filings were medically related. This is a distinction with a real difference, but we did not hear the difference as our friend from Massachusetts was describing this. Only a definition of the health problem that is stretched beyond recognition could lead to the conclusion that these filings were medically caused. The study actually classifies gambling as a medical cause. Gracious, come on. Give me a break. Gambling?

Finally, let us look at two other exaggerated explanations for bankruptcy filings: unemployment and divorce. With respect to unemployment, this

chart shows that even as unemployment has dropped, bankruptcy filings continue to increase.

Let me refer to this next chart. The red dots represent the unemployment rate. It has been going down since basically 1981. The black dots show the bankruptcies per 1,000 families, and they have gone up dramatically, as one can see. If there was a correlation between unemployment and bankruptcy, we would have expected bankruptcy filings to decrease over the last 25 years, but this obviously has not been the case. In fact, just the opposite has occurred.

Again, on divorce rates, bankruptcies have increased by a huge percentage, even as we have seen a modest decline in the divorce rate over the last 25 or so years. The red line at the bottom shows bankruptcies per 1,000 households. Look how it has gone up since about 1987. The black dots represent the divorce rate per 1,000 households. That went up, but it is now headed down. That is a good thing for our society. I am glad to see that. But the bankruptcy rates keep going up.

The bottom line is that despite the low interest rates, low unemployment, steady debt ratios, and steady increase in net wealth, bankruptcy filings continue to set record highs. Frankly, these facts suggest another reason to explain the increase in bankruptcy filings is that it is simply too easy for some relatively high-income debtors to simply wipe away their debts and stick all the rest of us in society with them, even where they have the means to pay a substantial share of the obligations. It is absolutely unfair to saddle all consumers with the increased costs associated with these off-the-chart levels of filings. This bankruptcy bill we are debating today will cut down on some of these abuses and bring back some sense of accountability to the high-income debtors.

Let me say again, it is one thing to come on this floor and give these wonderful populist talks about how much they love to help the poor when, in fact, this bill will do more to help the poor than all those talks in the world. And to complain about this bill when what they are really doing is complaining about the current system, it is amazing to me.

The only thing I can conclude is some people who make these arguments actually must believe the people out there are really stupid and that populist arguments really count today, like they used to when people did not have the education Americans have today. That is what those populist arguments are all about. It is easy to stand on the floor, shake your fist, scream and shout, and talk about how bad things are when they are bad because we are not changing them. It is amazing to me, absolutely mind-boggling to me.

I respect anybody who wants to change these laws and make them better. The only way we are going to do that is to pass this bill, and the only way we are going to pass this bill through both Houses is to pass this bill without amendment.

If we want to make some changes, let's do it. We have now been 8 years through this stuff, and the same old tired, wornout saw arguments are still being made by the people who complain about the current system as though this bill is going to make the current system worse. It is going to make it better.

Again, I will acknowledge it is not a perfect bill. My gosh, nothing is around here. But it will make a great difference in some of the complaints that have been lodged against current law.

This bankruptcy bill we are debating today will cut down on some of these abuses and bring back some sense of accountability to these high-income debtors. It will stop some of the fraud and abuse that is going on. It will make everybody a little more responsible. We put in a lot of other provisions that make corporate America more responsible as well.

Could we do more? I suspect we could, but not and pass the bill. That is my bottom line right now after 8 years of doing this, after passing it four times overwhelmingly in the Senate and overwhelmingly in the House but not being able to get it signed because the one time it did go to the President, President Clinton pocket vetoed it. So I urge my colleagues to join me in supporting this measure. I hope my colleagues will help us finally pass this important measure because it is long overdue. It will help to resolve an awful lot of the problems that we hear complaints about on the floor today by those who have done everything they could over the last 8 years to kill this bill.

If we passed both of the amendments of the distinguished Senator from Massachusetts, even if we could agree that they were good amendments—and they are not—I guarantee my colleagues he is not going to vote for this bill. He never has, and I do not think he ever will. His reasons are his own, and they are important reasons to him, but I suggest that if our colleagues really mean they want to do something about these awful current situations, this is the bill to do it with. If this bill does not prove to be everything that we would like it to be, let us work in the next session of Congress or immediately thereafter to start trying to make changes that might help.

This bill is a step in the right direction. It is a very important step forward, and we certainly should not allow any killer amendments on this bill that would make it impossible to pass once again.

Hopefully I have been fair to my colleagues. I have tried to be. But I cannot just sit here and let these type of arguments be made without some response, especially since I have heard them over and over again. The complaints are always about current law and some of the aspects of this bill that they just do not like that are essential in order to pass the bill.

So I hope my colleagues will vote against both of these amendments. I am going to do everything in my power to see that they are both defeated.

I yield the floor.

The PRESIDING OFFICER (Mr. BURNS). The Senator from Texas.

Mr. CORNYN. Mr. President, like the distinguished Senator from Utah, the former chairman of the Judiciary Committee, I agree that this is an important bill whose time has come. As he said, it is not a perfect bill, but it may be the best that we are capable of. Frankly, there is a lot more we could do to make it better.

A few weeks ago, I introduced S. 314, the Fairness in Bankruptcy Litigation Act of 2005. Today, I filed amendment 30 to the comprehensive bankruptcy litigation before us, but at this time I will not call up the amendment. This amendment would provide much needed protection for consumers, creditors, workers, pensioners, shareholders, and small businesses—in short, virtually everyone who is a stakeholder in bankruptcy litigation in this country today. It would do so by reforming the rules governing venue in bankruptcy cases to combat forum shopping, otherwise known as judge shopping, by corporate debtors.

The sad fact is that today judge shopping is endemic in our bankruptcy courts and has led to the abuses of the law, abuses that challenge our national aspiration to be a nation that believes in and actually practices equal justice under the law.

My experience in my former capacity as attorney general of my State, particularly with the Enron bankruptcy, which has gained quite a bit of notoriety, opened my eyes to a very real abuse in our current bankruptcy system and the need to end the current practice of judge shopping. After seeing how that bankruptcy played out, I do not believe that we can only be concerned with the letter of the law. We need to be concerned as well with how that law is administered, venues where those cases are litigated, and necessarily with accountability and accessibility of working men and women, the creditors, and everyone else who is affected by bankruptcy litigation.

My amendment would prevent corporate debtors from moving their bankruptcy thousands of miles away from the communities and the workers who have the most at stake, and it would prevent bankrupt corporations from effectively selecting the judge in their own cases, because picking the judge is not far off from picking the result.

I know that my distinguished colleagues from Delaware do not like this particular amendment, and they have voiced their concerns to me directly and candidly, which I appreciate, but it is principally because their State is the beneficiary of the status quo with huge percentages of all bankruptcies occurring in the United States—that is, in all 50 States—ending up in Delaware and to a lesser extent in New York.

I believe the record is clear that forum shopping hurts people in the overwhelming majority of the States and necessarily the overwhelming majority of our citizens, and that this amendment, if adopted, would serve the national interest.

This reform is good government. It is good for the economy. It is good for consumers. To those concerned, as I have heard those concerns expressed so far in this debate that we have not done enough to combat bankruptcy abuses, particularly on the part of corporate debtors, I ask them to seriously consider this amendment. This amendment would implement a major recommendation from the October 1997 National Bankruptcy Review Commission report and has earned support by prominent bankruptcy professors and practitioners nationwide. It has also gained bipartisan support from people who have seen the problems of the current system up close, including numbers of attorneys general, 24 of whom, along with the Attorneys General of Puerto Rico and the U.S. Virgin Islands, have signed a letter in support of S. 314.

I ask unanimous consent that this letter be printed in the RECORD, following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. CORNYN. This legislation has also been endorsed by the National Association of Credit Management and the Commercial Law League of America. This amendment also protects small businesses, and that is why it has been endorsed by the National Federation of Independent Businesses. Because it protects consumers, it is supported by the Consumer Federation. This amendment would protect and restore the integrity of our civil justice system, and that is why, as I said, it is endorsed by a bipartisan coalition of our Nation's State attorneys general.

This amendment would send a message that we recognize the danger of this growing crisis which negatively affects so many consumers and workers and that we are committed to achieving fairness and truly comprehensive bankruptcy reform.

Sadly, our current bankruptcy venue law has become a target for enormous abuse. It is a problem that has been well documented by scholars in the field, most recently in a comprehensive book published earlier this year by UCLA law professor Lynn M. LoPucki, as well as by Harvard law professor Elizabeth Warren, whose name has been invoked numerous times in this debate, who served as a reporter for the National Bankruptcy Review Commission, as well as Professor Jay L. Westbrook of the University of Texas Law School.

I know that Professor LoPucki has been in contact with the office of virtually every Member of this body, including, it is reported to me, personal contact with 71 Senators. The professor has documented instances of forum shopping by corporate debtors that have harmed consumers and workers in virtually all of our States.

I had personal experience with this abuse during my service as attorney general of the State of Texas. I argued that the Enron Federal bankruptcy litigation should occur in Houston, TX. That seemed to me to be a commonsense argument, of course, because Houston, after all, is where the majority of employees, the majority of pensioners, the majority of creditors and every other stakeholder involved in that bankruptcy was located. Of course, many of these people were victimized by this corporate scandal that occurred, unfortunately, in my State.

Yet that is not where the case ended up, not in Houston, TX, but, rather, in New York. Enron was able to exploit a key loophole in bankruptcy law to maneuver their proceedings as far away from Houston, TX, as possible. They ended up in their desired forum, and that is, as I mentioned, New York. Enron used the place of incorporation of one of its small subsidiaries in order to file their bankruptcy in New York and then used that smaller claim as a basis for shifting all of its much larger bankruptcy proceedings into that same court.

Let me make it clear. This company had 7,500 employees in Houston, but they filed for bankruptcy in New York where it had only 57 employees. This blatant kind of forum shopping, judge shopping, makes a mockery of all of our laws. The commonsense amendment which I have filed will combat such egregious forum shopping by requiring that corporate debtors file where their principal place of business is located or where their principal assets are located, rather than their State of incorporation, and forbidding parent companies from manipulating the venue by first filing through a subsidiary.

Bankruptcy venue abuse is not just bad for our legal system, it hurts America's consumers, creditors, workers, pensioners, shareholders, and small businesses alike. Under the current law, corporate debtors effectively go to the court that they themselves pick. Debtors can forum shop and pick jurisdictions that they think are more likely to rule in their favor. If debtors, in fact, get to pick the jurisdiction, then bankruptcy judges, unfortunately, according to Professor LoPucki and others, have a disturbing incentive to compete with other bankruptcy courts for major bankruptcy litigation by tilting their rulings in favor of corporate debtors and their lawyers. As a result, creditors can also be forced to litigate far away from the real world, their real world location, where costs and inconvenience associated with travel are prohibitive—in fact, leading too many of them to simply give up rather than to expensively litigate their claims in a far-off forum.

This troubling loophole serves to unfairly enable corporate debtors to evade their financial commitments; it badly disables consumers, creditors, workers, pensioners, shareholders, and small businesses from pursuing and receiving reasonable compensation from bankruptcy proceedings.

There are numerous examples. Let me mention three of the more prominent ones.

In 2001, in October, Boston-based Polaroid filed for bankruptcy in Delaware, listing assets of $1.9 billion. Polaroid's top executives claimed that the company was a ''melting ice cube'' and arranged a hasty sale for $465 million to a single debtor. This same court refused to hear testimony as to the true value of the company and closed the sale in only 70 days. The top executives went to work for the new buyer and received millions of dollars in stock. Meanwhile, disabled employees had their health care coverage canceled. The so-called melting ice cube became profitable the day after the sale became final.

In January of 2002, K-Mart filed for bankruptcy in Chicago, a venue which had reportedly been active in soliciting large corporate debtors to file there. With a workforce of 225,000, K-Mart had more employees than any company that had ever filed for bankruptcy nationwide. The judge in that case let the failed executives take tens of millions of dollars in bonuses, perks, and loan forgiveness. Bankruptcy lawyers also profited, pocketing nearly $140 million in legal fees. But some 43,000 creditors received only about 10 cents on the dollar.

The third example I would like to mention is WorldCom, known for perpetrating one of the biggest accounting frauds in the history of our country, inflating its income by $9 billion. Although based in Mississippi, WorldCom followed Enron to New York bankruptcy court where its managers received the same sort of lenient treatment that I mentioned a moment ago. No trustee was appointed. Indeed, 5 months after the case was filed, the debtors in office when the fraud occurred still constituted a majority on the board. They, in fact, chose their

own successors. A top WorldCom executive used money taken from the company to build an exempt Texas homestead, and WorldCom took no action. That executive then used the homestead to buy his way out of his problems with the SEC. Meanwhile, creditors, mostly bondholders, lost $20 billion.

This is not the first time Congress has addressed this important issue. The House Judiciary Subcommittee on Commercial and Administrative Law held a hearing on July 21, 2004, entitled ''Administration of Large Business Bankruptcy Reorganizations: Has Competition for Big Cases Corrupted the Bankruptcy System?'' Congressman SHERMAN of California has led efforts to champion bankruptcy venue reform in that body.

During the 107th Congress, my colleague from Illinois, Senator DURBIN, introduced S. 2798, the Employee Abuse Prevention Act of 2002, joined by the Senators from Massachusetts, the Senator from Vermont, and the Senator from West Virginia, which also would have reformed bankruptcy venue law. Congressman DELAHUNT of Massachusetts introduced the same legislation in the House.

I believe we need to take the next logical step to respond to this important problem. The American people deserve better from our legal system when it comes to corporate bankruptcies. All bankruptcy cases deserve to be handled fairly and justly, and no corporate debtor should be allowed to escape responsibility by fleeing to a far-flung venue. It is high time we make this important and needed reform.

As I have indicated earlier, I have filed this amendment, but I have not called it up but certainly reserve the right to do so during the course of these proceedings. I have listened closely to the Senator from Utah and others, the Senator from Iowa, the chief sponsor of this legislation, who say that amendments to this bill would endanger its ultimate passage. While I certainly am sympathetic to what they have to say, I still believe these amendments ought to be decided on their merits, not based on perhaps concerns that are expressed about amendments jeopardizing a bill. In fact, I would think, indeed, in every instance the chief sponsor of the bill would ask Senators to refrain from filing any amendments, believing that their bill without amendments would have a better chance of ultimate passage. But that is not how our legislative process works.

I have, nevertheless, decided to refrain from calling up this amendment at this time. As I said, I reserve the right to do so later. I also reserve the right to ask for the yeas and nays and a vote on this amendment. But I have refrained from calling it up out of respect for the managers of this legislation, out of respect for Chairman GRASSLEY, the chief sponsor, and out of respect for the American people, who deserve to have better than they have under the status quo and who deserve to see this bill pass.

I hope I have made clear that judge shopping when it comes to bankruptcy litigation is a cancer that needs to be cut out, corrected, and cured.

I do hope my colleagues in this body will listen, will study this particular piece of legislation, and will lend their support.

I yield the floor.

EXHIBIT 1

MARCH 2, 2005.

RE: S. 314, the Fairness in Bankruptcy Litigation Act of 2005.

Hon. JOHN CORNYN,
U.S. Senate, Hart Senate Office Building, Washington, DC.

DEAR SENATOR CORNYN: We understand that the United States Senate is about to debate S. 256, the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005. We write to express our hope that, in doing so, the Senate will also take action on S. 314, the Fairness in Bankruptcy Litigation Act of 2005, which we support and which you introduced on February 8, 2005. After all, consistent with the title of S. 256, your legislation to reform the bankruptcy venue laws would indeed help prevent some of the worst abuses we have witnessed in bankruptcy litigation, and provide much needed protection to consumers as well as to the innumerable other parties—large and small alike—that are harmed by opportunistic forum shopping by corporate debtors: creditors, workers, pensioners, retirees, shareholders, and small businesses.

As state attorneys general, we are charged with a solemn duty to enforce the law, to protect consumers, and to combat corporate wrongdoing. It is bad enough that corporate scandals have victimized countless American citizens in recent years. What's worse, many corporations have abused the bankruptcy venue laws and engaged in unseemly forum shopping in order to avoid their financial responsibilities. All too often, corporate debtors have fled their home states to pursue relief in far away jurisdictions—and in search of judges more friendly to the corporations' interests than to the interests of those the corporations have left behind. As you noted in your remarks upon introducing the legislation, literally thousands and thousands of workers, shareholders, retirees, small businesses and countless other Americans are regularly thwarted from protecting their interests and left financially stranded as a result.

Your legislation has already received an impressive and broad range of support, and the undersigned—a bipartisan group of state attorneys general from across the country united in a commitment to protect consumers and curb abusive corporate judge-shopping—is pleased to add its strong support. Not only does S. 314 finally implement a major recommendation from the October 1997 National Bankruptcy Review Commission report, it is supported by innumerable bankruptcy law professors and practitioners nationwide; the National Federation of Independent Business; counsel for the Enron Employees Committee; Brady C. Williamson, who served as chairman of the National Bankruptcy Review Commission; and major national bankruptcy organizations like the National Association of Credit Management, the Commercial Law League of America, and the National Bankruptcy Conference.

We commend your efforts to strengthen our bankruptcy system and protect consumers, creditors, workers, pensioners, shareholders, retirees, and small businesses against unsavory forum shopping by corporate debtors. Passage of S. 314 will end this gamesmanship, help restore credibility to our nation's bankruptcy laws, and safeguard the interests of Americans from all walks of life.

We urge the United States Senate to pursue every means necessary to enact the provisions of your bill into law.

Sincerely,

Scott Nordstrand, Acting Attorney General of Alaska.

Mike Beebe, Attorney General of Arkansas.

Bill Lockyer, Attorney General of California.

John Suthers, Attorney General of Colorado.

Mark Bennett, Attorney General of Hawaii.

Lisa Madigan, Attorney General of Illinois.

Stephen Carter, Attorney General of Indiana.

Charles Foti, Jr., Attorney General of Louisiana.

J. Joseph Curran, Jr., Attorney General of Maryland.

Tom Reilly, Attorney General of Massachusetts.

Mike Cox, Attorney General of Michigan.

Mike Hatch, Attorney General of Minnesota.

Jay Nixon, Attorney General of Missouri.

Patricia Madrid, Attorney General of New Mexico.

Brian Sandoval, Attorney General of Nevada.

Wayne Stenehjem, Attorney General of North Dakota.

Hardy Myers, Attorney General of Oregon.

Roberto Sanchez-Ramos, Secretary of Justice of Puerto Rico.

Patrick Lynch, Attorney General of Rhode Island.

Lawrence Long, Attorney General of South Dakota.

Paul Summers, Attorney General of Tennessee.

Greg Abbott, Attorney General of Texas.

Mark Shurtleff, Attorney General of Utah.

Alva Swan, Attorney General of the Virgin Islands .

Rob McKenna, Attorney General of Washington.

Darrell McGraw, Attorney General of West Virginia.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. OBAMA. Thank you, Mr. President.

I have come to the floor today to briefly address the pending legislation. This issue forces us to face a fundamental question about who we are as a country, how we progress as a society, where our values lie as a people, how do we treat our fellow Americans who have fallen on hard times, and what is our responsibility to cushion those falls when they occur. We do so not only out of compassion for others but also knowing that hard times might at any moment fall on ourselves.

The proponents of this bill claim it is designed to curb the worst abuses of our bankruptcy system. I think that is a worthy goal shared by all those in this Chamber, and we can all agree that bankruptcy was never meant to serve as a ''get out of jail free'' card for use when you foolishly gamble away all your savings and don't feel like taking responsibility for your actions.

But to accomplish that, this bill would take us from a system where judges weed out the abusers from the honest to a system where all the honest are presumed to be abusers, where declaring chapter 7 bankruptcy is made prohibitively expensive for people who have already suffered financial devastation.

With this bill, it doesn't matter if you run up your debt on a trip to Vegas or a trip to the emergency room; you are still treated the same under the law. You still face the possibility that you will never get a chance to start over.

It would be one thing if most people were abusing the system and falling into bankruptcy because they were irresponsible with their finances. I think we need more responsibility with our finances in our society as well as from our Government. But we know that for the most part bankruptcies are caused as a result of bad luck.

We know from a recent study, which was mentioned by the distinguished Senator from Massachusetts, that nearly half of all bankruptcies occur because of an illness that ends up sticking families with medical bills they can't keep up with.

Let me give you as a particular example the case of Suzanne Gibbons, a constituent of mine. A few years back, Suzanne had a good job as a nurse, and a home on Chicago's northwest side. Then she suffered a stroke that left her hospitalized for 5 days. Even though she had health insurance through her job, it only covered $4,000 of the $53,000 in hospital bills. As a consequence of that illness, she was soon forced to leave her full-time nursing job and take a temporary job that paid less and didn't offer health insurance. Then the collection agencies started coming after her for her hospital bills that she couldn't keep up with. She lost her retirement savings, she lost her house, and eventually she was forced to declare bankruptcy. If this bill passes as written without amendment, Suzanne will be treated by the law the same as any scam artist who cheats the system. The decision about whether she can file for chapter 7 bankruptcy would not account for the fact that she fell into financial despair because of her illness.

With all that debt, she would have to hire a lawyer and pay hundreds of dollars more in increased paperwork. After all that, she still might be told she is ineligible for chapter 7 bankruptcy.

As much as we like to believe that the face of this bankruptcy crisis is credit card addicts who spend their way into debt, the truth is it is the face of people such as Suzanne Gibbons. It is the face of middle-class Americans.

Over the last 30 years, bankruptcies have gone up 400 percent. We have had 2,100 more in Illinois this year. We also know what else has gone up: the cost of childcare, the cost of college, the cost of home ownership, and the cost of health care which is now at record highs. People are working harder and longer for less, and they are falling farther and farther behind.

We are not talking about only the poor or even the working poor here. These are middle-class families with two parents who both work at good-paying jobs that put a roof over their heads. They are saving every extra penny they have so their children can go to college and do better than they did. But with just one illness, one emergency, one divorce, these dreams are wiped away.

This bill does a great job helping the credit card industry recover profits they are losing, but what are we doing to help middle-class families to recover the dreams they are losing?

The bankruptcy crisis this bill should address is not only the one facing credit card companies that are currently enjoying record profits. We have to look after those hard-working families who are dealing with record hardships. As Senator DODD, Senator FEINSTEIN, and others have pointed out, this bill also fails to deal with the aggressive marketing practices and hidden fees credit card companies have used to raise their profits and our debt. Charging a penalty to consumers who make a late payment on a completely unrelated credit card is but one example of these tactics. We need to end these practices so that we are making life easier not only for the credit card companies but for honest, hard-working, middle-class families.

If we are going to crack down on bankruptcy abuse, which we should, we should also make it clear we intend to hold the wealthy and the powerful accountable as well.

One example: In my own State, we had a mining company by the name of Horizon that recently declared bankruptcy and then refused to pay its employees the health benefits it owed them. A Federal bankruptcy judge upheld the right of Horizon to vacate the obligations it had made to its workers. The mine workers involved had provided a total of 100,000 years of service and dedication and sacrifice to this company. They had spent their entire lives working hard. They had deferred part of their salaries because there was an assurance that health care would be available for them. These are men and women with black lung disease, with bad backs, with bad necks, and the company made a decision to go back on their promise, saying we will not pay the debt we owe these workers. And a Federal bankruptcy judge said that is OK, you are permitted to do that.

These same workers now are going to have a tough time as a consequence of this bill filing for bankruptcy. The irony should not be lost on this Chamber. It is wrong that a bill would make it harder for those unemployed workers to declare bankruptcy while doing nothing to prevent the bankrupt company that puts them in financial hardship in the first place from shirking its responsibilities entirely.

Mr. KENNEDY. Mr. President, will the Senator yield on that point?

Mr. OBAMA. I yield.

Mr. KENNEDY. As I understand it, these workers had health insurance that would have protected them as a result of illness and sickness. They had it probably for themselves and their families. What the Senator is saying is obviously in most of these circumstances when they had health insurance, they sacrificed wage increases and other kinds of benefits in order to get that health insurance. As I listened to the Senator, I heard that many of these workers have worked for lifetimes for this company. Now, as a result of the company going into bankruptcy, these workers effectively lost their health care coverage. I imagine a number of them may have some illness, perhaps some health care needs, probably an older population, and the cost to them to replace that kind of family coverage would be rather dramatic.

Mr. OBAMA. It would be prohibitive.

Mr. KENNEDY. Particularly if they are out of work.

What we are talking about here is, if they run into illness and sickness under the existing bankruptcy laws, they have a chance to be able to measure their assets and their creditors to be able to at least go on to another day. They may pay a fearsome price in terms of their own lives, but under the circumstances of the bill as proposed, they would be treated even more harshly.

As I listened to the Senator, he was talking about a rough sense of equity in terms of legislation that we ought to be considering here in the Senate.

Mr. OBAMA. That is an accurate assessment by the distinguished Senator from Massachusetts. I appreciate that amplification.

The central point is, what kind of message does it send when we tell hard-working, middle-class Americans, you have to be more responsible with your finances than the companies you work for? They are allowed to be irresponsible with their finances and we give them a pass when they have bad management decisions, but you do not have a pass when confronting difficulties outside of your control.

We need to reform our Bankruptcy Code so corporations keep their promises and meet their obligations to their workers. I remain hopeful our companies want to do the right thing for workers. Doing so should not be a choice, it should be a mandate.

Senator ROCKEFELLER and I have proposed two amendments to ensure this. I strongly urge my colleagues' support. One will increase the required payments of wages and employee benefit plans to $15,000 per individual from the current level of $4,925. It requires companies that emerge from bankruptcy to immediately pay each retiree who lost health benefits an amount of cash equal to what a retiree would be expected to have to pay for COBRA coverage for 18 months.

The second amendment prevents bankruptcy courts from dismissing companies' Coal Act obligations to pay their workers the benefits they were promised. These companies made a deal to their mine workers. They should be forced to honor that deal. That will be an amendment that hopefully will be added to the pending bill.

This bill gives a rare chance to ask ourselves who we are here to protect, for whom we are here to stand up, for whom we are here to speak. We have to curb bankruptcy abuse and demand a measure of personal responsibility from all people. We all want that. We also want to make sure we are helping middle-class families who are loving their children and doing anything they can to give them the best possible life ahead.

To wrap up, in the 10 minutes I have been speaking, about 30 of those middle class families have had to file for bankruptcy. We live in a rapidly changing world, with an economy that is moving just as fast. We cannot always control this. We cannot promise the changes will always leave everyone better off. But we can do better than 1 bankruptcy every 19 seconds. We can do better than forcing people to choose between the cost of health care and the cost of college. We can do better than big corporations using bankruptcy laws to deny health care and benefits to their employees. And we can give people the basic tools and protections they need to believe that in America your circumstances are no limit to the success you can achieve and the dreams you may fulfill.

While, unfortunately, I cannot support this bill the way it is currently written, I do look forward to working with my colleagues in amending this bill so we can still keep the promise alive.

Mr. KENNEDY. Will the Senator yield for one more question?

Mr. OBAMA. I yield.

Mr. KENNEDY. As I listened carefully to the excellent presentation of the Senator from Illinois on this legislation, this legislation has been presented as though it is for going after spendthrifts, individuals who abuse the credit system, who go out and live life high on the hog, go to the malls, buy the expensive clothes and charge it up. These individuals should not be let off scot-free. I gather from remarks of the Senator from Illinois he agrees with me, that we want accountability for those individuals.

Legislation that ought to be targeted toward those individuals and corrected with a hammer is addressed with a cannon, picking on the working families in its path who face bankrupcy through no fault of their own, as a result of the explosion of health care costs, the explosion of housing costs, explosion of tuition cost, the outsourcing of jobs, the increase in part-time jobs, and the issue of a growing older population which has a greater proclivity toward serious illness and disease such as cancer and stroke, and increasing numbers of individuals who are virtually cast adrift by major companies such as Enron, WorldCom, and Polaroid, and the company from Illinois the Senator has mentioned. The sweep of this legislation is going to be unduly harsh on a lot of hard-working, middle-income families playing by the rules, struggling for their families. They will be treated unjustly.

Mr. OBAMA. That is an accurate statement by the distinguished Senator from Massachusetts. He characterizes it correctly.

I add that all the statistics I have seen indicate one of the fastest growing segments engaged in bankruptcy is senior citizens who I don't think are any different than they were back in the day when we think people were more responsible and more thrifty. I think they are still thrifty and responsible. What has happened is they are experiencing extremely tough times partly because they are having difficulty paying for prescription medicines that are not covered under Medicaid.

Mr. KENNEDY. If the Senator will yield further, the Senator mentions the number of bankruptcies for our senior citizens has tripled in the last 10 years. The average income for those over 65 is $24,000. These are not great populations of free-spending people ringing up large expenses at the mall.

Shouldn't we take a look at the impact of the legislation before the Senate and the impact it will have on our population?

I commend the Senator for bringing this very important fact to the attention of the Senate. We have three times the number of bankruptcies now for our senior citizens. These are not the spendthrifts. Are those the people we are trying to catch with punitive measures in this bankruptcy legislation? I don't think so.

The Senator made a strong point. I thank him.

Mr. DURBIN. Mr. President, I commend my colleague from Illinois because he pointed to several issues in our State which dramatized the problem with this bankruptcy bill. This Horizon Mining Company in southern Illinois when it goes out of business not only shortchanges shareholders but leaves retirees in the lurch. We have reports of individuals who worked a lifetime for this mining company, paid in as they were supposed to, expecting to receive health care benefits after they retired, and then the company files bankruptcy and men and women with serious health issues—black lung and emphysema—find themselves without health care protection before they are eligible for Medicare. These are the people falling into the bankruptcy courts.

Our friends on the other side of the aisle say we need to change bankruptcy law because of moral failures in America, immoral conduct by people walking into the bankruptcy court when they should just pay their bills.

We go to the people who are supposed to monitor abuse in bankruptcy courts and they say of all the bankruptcies filed, only 3 percent—3 out of 100—may fall in that category. The credit card companies say it may be as high as 10 percent—1 out of 10—who should not be filing for bankruptcy. But, still, we are going to change the law for everyone walking into the court.

We find in reality—the Senator from Massachusetts has made this point—we are not talking so much about moral failures leading to bankruptcy, we are talking about economic failures leading to bankruptcy.

Professor Warren from Harvard Law School went out and actually asked the people filing bankruptcy, Why are you here today? What forced you into bankruptcy? Almost half of the people said medical bills. Three-quarters of those filed bankruptcy because the cost of their treatment was more than they could pay; three-fourths of them had health insurance when they were diagnosed, but it was not enough, or they lost their job, or the copays overwhelmed them.

If you are following this debate and you say, isn't it a shame these people did not plan for their future—the man who worked in the mine for 35 years planned for his future. He worked every day and he contributed every day to a pension, believing he would have health care. Guess what. Bankruptcy comes along, and he has no health care.

Take a look at the people walking into bankruptcy court. Did they plan for their future? They had health insurance. But it was not good health insurance. It had limits on it, and a catastrophic illness wiped them out. Is there one of us who believes we are somehow sheltered from this? Well, come to think of it, there may be. It could be Members of Congress believe

they are sheltered from this. Do you know why? We have a pretty generous health insurance plan, as most Federal employees do. And when we retire, we are protected by that health insurance plan.

What is the likelihood a Member of Congress or retired Member of Congress will end up in bankruptcy court because of medical bills? Slim to none. So we live in this bubble, those of us in Congress, this bubble of protection, and think the whole world has the benefits we have. They do not.

Senator KENNEDY has been arguing for years to take the same health care Members of Congress receive and offer it to America. Whoa, what a radical idea, another Kennedy extremist position, to take the same health care of Congressmen and offer it to America. If we did that, we would not be talking about medical bankruptcy in the numbers we are facing today. But there are these bankruptcies by people who planned, by people who had health insurance, by people who paid a lifetime into the system believing they protected their family. They are that vulnerable.

Along comes the credit card industry that says: We want to change the bankruptcy law so if you get crushed by medical bills, you cannot get out from under. You keep paying and paying and paying for a lifetime. One of Senator KENNEDY's amendments says, losing your home because of a medical crisis in your family in bankruptcy is a tragedy we should avoid. He is right. Think about it.

I can give you examples. Let me give you one. I say to Senator KENNEDY, I think this illustrates the point you are making. Senator KENNEDY is trying to protect at least $150,000 worth of home for someone who goes into bankruptcy because of a medical crisis. Let me tell you about some people in Illinois.

Joyce Owens raised a son and a foster son and took care of her husband. She worked full time as a paralegal. Everything was fine with her family. She lived in Chatham, IL, 20 miles from my hometown. Then, in April 1997, her two sons Chris and Darrell were hit by a drunk driver. Darrell was killed. Chris, 27 years old, had a severed spinal cord and was rendered a quadriplegic.

Joyce was doing paralegal work at home because she wanted to stay there with her son Chris. He was in a wheelchair and needed help all the time. Slowly, working and caring for her son every day got to be too much and she was laid off.

Then, in 2000, 3 years after the accident, her husband died of a heart attack. He had always told her: Don't worry, I have life insurance. He did not. There was no life insurance. She was left to pay $200,000 in medical bills incurred by her quadriplegic son and the death of her husband.

How about that? Is that a moral failure? What did she do wrong morally? She worked her life to help her family, and when her son was in his worst condition, she did everything she could to help. And then she lost her husband as a helping hand. A moral failure? She tried to declare bankruptcy. Do you know why she did not? She would have lost her home—the home that was set up for her quadriplegic son.

So there she faces the dilemma. There is a lien on her home for the medical bills. She will not give it up because she cannot think of another place where her son can be taken care of. So what does it mean? A lifetime of $200,000 in debt for a woman who is doing her level best to take care of her family. She is one of the victims of this bill.

Under this bill, if she went to bankruptcy court, she would lose her home. She would not have enough equity in it to keep it. What is she going to do with that boy? He is now over 30 years old. She has dedicated the rest of her life to him.

Senator KENNEDY says, if you face that tragedy in your family, we are going to protect your home. When it is all said and done, you get $150,000 worth of home after your medical bills are wiped out. Is this such an outrage to say to the credit card companies, to say to the financial companies: You ought to be a little bit concerned about Joyce Owens of Chatham, IL?

This is a good woman, a good mother, a good wife, from a good family, struggling every day, who is going to be hammered by this bill. She is no moral failure. She, in my view, is a moral standard for all of us to live up to. And this bill is going to penalize her because some Members of Congress think the credit card industry deserves more profit at her expense.

Mr. KENNEDY. Will the Senator yield for a question?

Mr. DURBIN. I am happy to.

Mr. KENNEDY. Because this is a dramatic family circumstance—I think any of us who have listened have found this is too often not the exception but too often is the rule. But aren't there other provisions in this legislation to preserve those homes that are not just the homes of someone who has sacrificed, as she has, to try to preserve the home for her son, but that this legislation, as it exists now, has protections for homes that are worth many, many, many, many, many more times that will escape any kind of threat from bankruptcy because of the homestead exemption? And could the Senator explain to me how we can possibly pass a piece of legislation that is so unfair to some families and gives such extraordinary benefits to others? Where is, possibly, the equity and the fairness?

As a member of the Judiciary Committee, does the Senator not wonder why in the world those who have been the principal sponsors of this legislation have not tried to address that during all the time we have been considering it, whether it was when we considered it 4 years ago or when we considered it in the committee markup? There was absolutely no attempt to do that. There was a strong effort by our friend and colleague Senator KOHL, who did an outstanding job with our last legislation that was before us. I am very hopeful he will offer a similar amendment this time.

But how could we possibly allow a system that is going to take that home from that family the Senator has outlined, and at the same time permit half a dozen different States to be able to have individuals shelter hundreds of thousands of dollars worth of real estate?

Mr. DURBIN. I thank the Senator from Massachusetts. I think people living in Illinois are some of the luckiest people in the world. I think it is a wonderful State. I am proud to represent it. But for Joyce Owens' situation, if she faced the same tragedy with her family and they lived in Florida, Texas, or Kansas, she could keep her home. You may say, why? Well, because the States have different standards—all the States.

What Senator KENNEDY says is, this is national legislation, and we should have a national standard to protect families' homes when they face a medical crisis.

In my State, you cannot protect much, if any, of a home. That is why Joyce Owens will be paying off these bills and facing debt collectors and harassment the rest of her natural life. She has no way out.

The Senator is exactly right; if you happen to live in one of these three States, you hit the jackpot. Do you know what some of the real sharp people do in bankruptcy? Bowie Kuhn—do you remember that name?—former Commissioner of Baseball. A prosperous man, right? Well, he got pretty deeply in debt one day, so he decided to take all of his assets and buy a mansion in Florida and file for bankruptcy. He filed for bankruptcy and got out from under his debts, but they let him keep his multimillion-dollar mansion in Florida. Bowie Kuhn got to keep his mansion. Joyce Owens cannot even keep her home to try to care for her quadriplegic son.

And you say to yourself, my friends on the other side of the aisle, surely in your home States you have people like this. You must be able to find them if you get outside this bubble we live in here and speak to people in the real world. Senator KENNEDY is speaking to people in the real world, and this is what he is hearing. This is what I hear, and what Senator OBAMA and others hear. That is why his amendment is so important.

Yesterday, we lost an amendment that said if you were serving in the

Guard or Reserve, activated to duty in Iraq, and you go over there to serve your country and risk your life for America, and you lose your business and go into bankruptcy because you are overseas serving America—I offered an amendment to say, at least give those soldiers a chance in bankruptcy to protect their homes.

Do you know what happened to that amendment? We lost it, 58 to 38. Many of the 58 Senators who voted against that amendment for the Guard and Reserve are the first ones waving the flag in the Fourth of July parade: How much we love our soldiers.

Where were they yesterday? These great lovers of the American military were nowhere to be found when they had a chance to do something for them when they serve their country and face bankruptcy at home.

Here is a chance for some of our colleagues who talk long and hard about feeling the pain of ordinary families to do something. The Kennedy amendment offers them a chance to do something, to say that in the bankruptcy court, we will acknowledge the disasters that families face across America because of medical bills, and we will do something about it.

I salute the Senator for his leadership, and I look forward to passing the amendment.

Mr. KENNEDY. I see my colleagues, and I want to hear from them. But I welcome the fact that the Senator has brought up the issue of the National Guard and Reserve. There are some in this body who think that with the acceptance of the Sessions amendment we have protected the Guard and Reserves. That is absolutely wrong. The Sessions amendment only refers to the expenditures of health care after the individual has already been submitted to the means test, and it only applies to future expenditures of health care by the Guard or the Reserve. It is my understanding that the trustee already has that flexibility and that authority. I welcome the opportunity to submit with the Senator from Illinois a legal technical analysis of that amendment that will reflect clearly the fact that those guardsmen and reservists who are activated—and I believe the figure is up to 20,000; I know we used the figure 16,000 yesterday, but I believe the figure is closer to 20,000—do not have the protections that the Senator from Illinois wanted to provide for them.

We have to be serious about this. Hopefully, we will not be caught up in cliches and slogans. The Senator from Illinois had an amendment that would have had a direct impact on protecting the Guard and Reserve. The Sessions amendment does not do that because the Sessions amendment only applies to provisions that would apply to future health outlays. Those expenditures could already be considered by the trustee in bankruptcy.

I don't see how those who voted for the Sessions amendment and against the Durbin amendment could believe they have met the responsibilities to our National Guard and Reserves. I appreciate, again, the Senator reminding us about the importance of protecting our troops. We are down in terms of recruitment on the Guard and Reserve to critical numbers. We are not meeting our amount for Reserves and the National Guard at the present time. If we pass this legislation in this form it will be a powerful message to those guardsmen and reservists who are self-employed, out there trying to serve our country under difficult and trying circumstances, and who are in many instances the sole proprietor of a small business, that they get into the Guard and the Reserve at their risk because this legislation will put them at greater risk.

Mr. DURBIN. I thank the Senator from Massachusetts.

We let down the Guard and Reserve yesterday. Military families and groups supported my amendment, but 58 Senators voted against it. They decided that the men and women serving in the military, risking their lives, were not entitled to any breaks when it came to filing bankruptcy because as they were overseas their families and businesses failed. That was the decision yesterday. Fifty-eight Senators said, no, they are not entitled to any special help.

Today we have a chance to give a helping hand to people facing medical crises. Over half of the bankruptcies in America involve people who faced a medical crisis and were crushed by it. They turned to bankruptcy court. Senator KENNEDY gives them a chance in that court to come out with dignity and to start their lives anew. He gives them a chance to keep their homes. Is this unreasonable? I don't think it is. It is only fair. I gladly support the amendments of the Senator and thank him for offering them both.

I yield the floor.

The PRESIDING OFFICER (Mr. VITTER). The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, a recent study by Professor Elizabeth Warren and her associates at Harvard exposes the flawed rationale for this legislation. According to Professor Warren, about 2 million Americans experienced medical bankruptcy, with half of all bankruptcy filings citing medical causes as a major factor. Among those who cited illness as a cause of bankruptcy, their average reimbursed medical costs since the start of their illness was nearly $12,000, even though more than three-quarters had health insurance at the onset of their illness.

Professor Warren's study found that those who filed for medical bankruptcy did everything they could to keep from filing. In the 2 years before they actually declared bankruptcy, those who filed after suffering a serious illness or injury went through extensive sacrifices as they struggled to pay for their health care and make ends meet. One in five went without food. One-third had their electricity shut off. Half lost their phone service. One in five were forced to move. And many more went without needed health care or couldn't fill a needed prescription. And 7 percent actually had to move an elderly relative to a less expensive home.

According to Professor Warren, families were bankrupted both directly by medical costs and indirectly from lost income when they were physically incapable of working. Diagnoses commonly named by those filing medical bankruptcy include heart disease, trauma or orthopedic problems, cancer, diabetes, pulmonary disease, childbirth related or congenital disorders, ongoing chronic illness, or mental disorders.

Interestingly, most medical bankruptcy filers had health coverage at the onset of their illness. More than three-quarters had coverage, and less than 3 percent voluntarily chose to go without insurance. The majority of those without insurance could not afford to maintain it, while almost 1 in 10 could not obtain coverage because of pre-existing health conditions.

A significant loss of income or years of piling up medical debt because of ongoing medical needs frequently makes bankruptcy unavoidable. The average out-of-pocket cost since the beginning of the filer's illness was significantly higher, averaging $11,854, although many had much higher costs. The average out-of-pocket costs for those with cancer was $35,000, while those families dealing with neurological disorders averaged more than $15,500.

The Harvard study looks at the reality of people who file bankruptcy and what forces them into bankruptcy, and it shows that 50 percent of those debtors had significant medical debt. The proponents of this bill want to ignore this reality because it doesn't fit in with their rhetoric about the bill.

My amendment focuses on those people for whom medical debts and lost income due to illness were the primary factors in their bankruptcies. Their medical debts would have to equal 25 percent or more of their annual income or they have to have lost one month's income due to their illness. This is what it means to be a medically distressed debtor under my amendment. Those families clearly deserve laws that will protect them. As currently written, this bill does not protect those who were forced into bankruptcy by a serious family illness.

The PRESIDING OFFICER. The Senator from New Jersey.

AMENDMENT NO. 32

Mr. CORZINE. Mr. President, before I call up my amendment, let me compliment the Senator from Massachusetts for his continued argument on behalf of the men and women who work very hard for a living, are put into difficult circumstances because of medical care costs, and end up in a situation that is extraordinarily heavy handed and insensitive to the realities of what is going on with the cost of health care. I compliment him and the Senator from Illinois for looking after our men and women in uniform.

All of these are areas where the overall Bankruptcy Abuse Prevention and Consumer Protection Act is missing the point. So much of what is occurring in the personal bankruptcy area is a function of personal situations, things that are circumstances beyond the control of the individual. I will talk about another one, economically distressed caregivers, in my amendment.

It is impossible to think that we need to use a means test as the basis of how we are solving this problem, particularly when we are taking a completely unbalanced approach and not looking seriously at corporate bankruptcy. Now we read in the paper today, we have these protection trusts that are offshore, and we even learn they are onshore. It was published in the New York Times today about how the wealthy can protect their assets, not even using the homestead. They just set up a trust and it is automatic. They can avoid it. But someone who has grave medical difficulties, and in my amendment, the long-term care situation, there is a lack of fairness that people are just not addressing when we are talking about Bankruptcy Code changes that really are harsh on those people most vulnerable in our society.

I send an amendment to the desk.

The PRESIDING OFFICER. Is there objection to setting aside the pending amendments? Without objection, it is so ordered.

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Jersey [Mr. CORZINE] proposes an amendment numbered 32.

Mr. CORZINE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To preserve existing bankruptcy protections for individuals experiencing economic distress as caregivers to ill or disabled family members)

On page 19, strike line 13, and insert the following:

monthly income.

''(8) No judge, United States trustee (or bankruptcy administrator, if any), trustee, or other party in interest may file a motion under paragraph (2) if the debtor is an economically distressed caregiver.''.

On page 113, between lines 19 and 20, insert the following:

(4) by inserting after paragraph (14A), as added by this Act, the following:

''(14B) 'economically distressed caregiver' means a caregiver who, in any consecutive 12-month period during the 3 years before the date of the filing of the petition—

''(A) experienced a reduction in employment for not less than 1 month to care for a family member, including a spouse, child, sibling, parent, grandparent, aunt, or uncle; or

''(B) who has incurred medical expenses on behalf of a family member, including a spouse, child, sibling, parent, grandparent, aunt, or uncle, that were not paid by any third party payer and were in excess of the lessor of—

''(i) 25 percent of the debtor's household income for such 12-month period; or

''(ii) $10,000.''; and

(5) by inserting after paragraph (44), the following:

''(44A) 'reduction in employment' means a downgrade in employment status that correlates to a reduction in wages, work hours, or results in unemployment.''.

Mr. CORZINE. Mr. President, economically distressed caregivers are those who have incurred substantial medical debt on behalf of dependent or nondependent family members. This is the easy thing, taking care of mom and dad. It is a normal value concept in America that people look after their seniors. Sometimes that comes at an enormous cost to those families' ability to maintain their employment status or reduced hours or wage levels. Many people have to go on the unemployment rolls.

There are an estimated 44 to 50 million family caregivers in our country, a large number. Nobody really knows the number. These Americans spend anywhere from a few hours a week to 40 hours a week or more taking care of a loved one, sick or disabled.

These individuals provide an enormous service to our society because the costs they take up are not borne by the broader society through Medicaid or other areas, and they provide an enormous benefit to their families. The economic estimate of this value is over $257 billion annually. According to the National Family Caregivers Association, in my home State, there are 830,000 or so family caregivers. So New Jersey has 830,000 of these people in a population of about 8.5 million. Almost 10 percent of the population is involved with family caregiving. The estimated value is just shy of $8 billion.

That unpaid care comes with a real cost. According to Harvard Law School Professor Elizabeth Warren, whom I know Senator KENNEDY has quoted a number of times in the presentation, approximately 125,000 American families in this long-term care situation, family caregiving situation, go and declare bankruptcy each year because of their inability to work. It is really a Hobson's choice about whether they take care of their families or go to work. It puts them in an incredible position of choosing what they think is right for their family or whether they deal with the economic system, which now, according to the means test, will put them into chapter 13. It is an incredible thing that we are foisting on the American people.

I have one anecdote everybody should look to regarding the practical reality of these situations. A young lady from Blackwood, NJ, wrote to my office talking about this bill. She is 31 years old and the sole caregiver for her husband, who is 47 and has Lou Gehrig's disease. He is in a long-term care situation. He will be there for as long as he is able to sustain himself with this tragic disease. They have four young daughters, 11, 7, 2, and 6 weeks old. She is the sole caregiver. She has $40,000 in medical bills, with untold numbers ahead of her. The financial strain for her and her children will put her into bankruptcy. Is this a lady who ought to go directly to chapter 13 because she doesn't meet the median income standard?

It is inconceivable in my mind that we are prepared to let those who are doing very well in life set up these protection trusts that we know about, which protect the wealthy who have fancy homes and homestead rebate situations, and the young woman in Blackwood cannot protect herself, her four daughters, and take care of her husband. This is outside of the realm of reason, and it doesn't make sense economically for the country because what is going to happen is this individual is going to be on charity care or Medicaid to take care of the medical bills of her husband, who has Lou Gehrig's Disease. They are going to turn somewhere, and we are going to pay for it. We have taken away the opportunity for that individual to take care of her family. And $257 billion worth of long-term caregiving is the estimate we have in this society. We are going to put that at risk through this bill. We ought to amend that. We ought to have standards set with regard to individuals who are giving care to their families and those they are responsible for and take care of these 125,000 folks who declare bankruptcy each year and make sure they are not forced into chapter 13. This is a mistake. It is essential that people recognize what we are doing here in a practical sense—undermining that safety net provided to families and individuals. I hope my colleagues will support my amendment and support Senator KENNEDY's because the broader question of medical care is a driving force in over 50 percent of all of the bankruptcies in this country.

It is hard to imagine that we are going to put folks into this indentured servitude, which is only going to lead to most of them using other social services in the country and will rack up even higher costs in Medicaid and

charity care. The cost is going to come out, and the credit card companies are going to benefit. It doesn't seem to be a sensible economic practice.

Mr. KENNEDY. If the Senator will yield, those who have been proponents say: Look, we have these spendthrifts who use these credit cards and go to the malls and exceed their credit, and there has to be accountability and responsibility to make sure they are going to effectively be dealt with. So we have, allegedly, this legislation. It has been pointed out during the course of the debate that even the credit card companies say it is less than 10 percent of all filers that fall in to this spendthrift category. Most of the commissions that have studied bankruptcy over a period of time have actually put it at 4 or 5 percent. Nonetheless, we are passing this legislation that is going to have the impact that the Senator has mentioned in terms of those who are involved in long-term care or those who are elderly and have three times the bankruptcies today then they did in the past, with the average income for seniors being $25,000—large spendthrifts, seniors, large spendthrifts. But the tragedy is that they run into the health care challenges, cancer or stroke, and they run up these medical bills, and they will end up losing their homes and with their lives virtually being destroyed.

Does the Senator not agree that we ought to be able to fashion pretty easily legislation to deal with those who are involved in the excesses of spending in relationship to credit, and we ought to have accountability for those people? But that isn't what this bill is, is it? That isn't what this legislation is really all about, is it? Doesn't the Senator agree with me that we could fashion a bill to address the needs that are out there? But this bill isn't it. I would be interested in the Senator's view, as somebody who has had great experience and a background in understanding both credit and the financial world. I believe his views on this would be enormously valuable.

Mr. CORZINE. The Senator from Massachusetts asks the correct question. What is the problem we are addressing here? Is it a narrow problem of a few abusers of the credit system—and the estimates I see are 10 percent or less—and when we address that, are we encompassing far too many people who are situationally disadvantaged by how the bankruptcy system would work in future circumstances?

The Reserve and Guard folks who the Senator from Illinois talked about, the people who are dealing with an out-of-control cost structure in our medical system or long-term caregivers—44 million people who are looking after seniors and disabled in this country are getting not a whit paid for from that. We are going to impose a cost on them that we are going to end up paying back in the Medicaid system? It is just bad economics. It is not even smart public policy, saying, let's do an accounting estimate of what the cost is and the way it is today, where people are providing $257 billion worth of aid, and we are going to turn around and force that into a system. I don't know. Where I came from, we like to look at the costs and the benefits, and we try to identify the right side of the equation.

In my view, this bankruptcy bill is not taking into account these very important situational circumstances. It is going to raise enormously the cost of doing health care business in this country and the cost of recruitment in our military, and the only people who will benefit are the guys who have the smart lawyers who will teach them how to put protective trusts together and move to Florida or wherever the homestead protections are the highest. It is a disaster economically, as well as for individuals' lives.

I appreciate the question. We ought to try to work to amend this legislation so we are dealing with the 10 percent of the people who are trying to avoid paying their bills. Most people do not want to be in bankruptcy.

I ask unanimous consent that a Consumer Federation of America be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Hon. JOHN CORNYN,
U.S. Senate,
Washington, DC.

DEAR SENATOR CORNYN: The Consumer Federation of America applauds your efforts to prevent corporations in financial trouble from fleeing their home states to declare bankruptcy in courts far from their workers, retirees, shareholders and small business vendors. We strongly support S. 314, the Fairness in Bankruptcy Litigation Act of 2005, which would require corporations to declare bankruptcy in the states in which they are headquartered or have their principal assets, as opposed to their state of incorporation. It would also forbid parent companies from filing first through a subsidiary corporation in an effort to manipulate the bankruptcy venue.

The raft of corporate scandals in the last few years has exposed many flaws in a system of market oversight that used to be the envy of the world. Many investors lost faith in our markets, tens of thousands of employees lost their jobs and retirees have lost significant portions of their pension plans. Corporate officers systematically looted their companies and lined their pockets, even as their companies' financial position began to deteriorate.

To add insult to injury, firms like Enron and Worldcom filed for bankruptcy in New York, far from their headquarters in Texas and Mississippi. Other infamous bankruptcies involving the Boston-based Polaroid Corporation and Texas-based Continental Airlines ended up in Delaware courts. By filing for bankruptcy thousands of miles from their principal place of business, these companies were gaming the system. They chose bankruptcy courts well-known for their leniency with debtor corporations. These firms were also shutting out employees, retirees, small business vendors and some creditors from meaningfully participating in the bankruptcy proceeding, making it far more likely that these individuals would end up financially stranded.

Thank you for your efforts to correct this corporate bankruptcy abuse. I strongly urge you to formally offer it as an amendment to bankruptcy legislation, S. 256.

Sincerely,

TRAVIS B. PLUNKETT,
Legislative Director,
Consumer Federation of America.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

AMENDMENT NO. 31

Mr. DAYTON. Mr. President, I call up amendment No. 31 and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, the pending amendments will be set aside. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Minnesota [Mr. DAYTON] proposes an amendment numbered 31.

Mr. DAYTON. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To limit the amount of interest that can be charged on any extension of credit to 30 percent)

At the appropriate place, insert the following:

SEC. ___. TERMS OF CONSUMER CREDIT.

(a) CAP ON INTEREST CHARGEABLE.—A creditor who extends credit to any consumer shall not impose a rate of interest in excess of an annual rate of 30 percent with respect to the credit extended.

(b) PREEMPTION OF STATE LAW.—The provisions governing rates of interest under subsection (a) shall preempt all State usury laws.

(c) EXEMPTION TO PREEMPTION.—If a State imposes a limit on the rate of interest chargeable to an extension of credit that is less than the limit imposed under subsection (a), that State law shall not be preempted and shall remain in full force and effect in that State.

Mr. DAYTON. Mr. President, I salute my colleague, Senator KENNEDY, for his powerful and heroic statements today on behalf of the people of America who do not have the time or the money to come to Washington or hire expensive lobbyists to press their causes in the Senate. He has championed their concerns for decades now.

I am very proud to have been a member of his caucus a short while ago, listening to him speak the truth about this legislation, which is a totally one-sided assault on real Americans, the folks we see out there in our States who cannot be here because they are working, because they have earned a decent living, a middle-income living, but they are not getting rich, and they are not taking advantage of programs, but they have suffered the kind of personal misfortunes Senator KENNEDY,

Senator DURBIN, and others have described—serious injuries, illnesses to themselves, to their spouses, or to their children. But they do not have health coverage, or they actually find out now they have health coverage, but the gaps in that coverage are so large or the copayments are so high they run up debts they cannot afford.

We can talk about people who lost their jobs and often, therefore, their health coverage, which means they have added economic misfortune on to a health crisis. They are the targets of this legislation, the victims of this legislation. It is self-entitled the Bankruptcy Abuse Prevention and Consumer Protection Act. If this bill is a consumer protection act, believe me, the consumers of America are in very serious trouble. This is a Credit Card Company Protection Act. The poor credit card companies of America are the innocent victims, we are being told, if we believe what we are hearing from the other side, of some supposed massive consumer fraud when, in fact, in the 8 years since this legislation was first introduced, the number of credit card solicitations in this country has doubled to 5 billion a year. Between 1993 and 2000, the amount of credit extended to people in this country grew from $77 billion to almost $3 trillion.

During the 8 years of the existence of this legislation, the bankruptcy filings in America have increased by 17 percent, and the credit card company profits have increased by 163 percent, from $11.5 billion to over $30 billion in profits last year. Does that seem like an industry that is facing a financial crisis or is being taken advantage of by people who are trying to get out from under their responsibilities? Not at all. In fact, the opposite. In fact, the opposite is that the credit card companies are taking advantage of Americans, not the other way around.

Some courts around the country have demanded that the credit card companies disclose the amount that remains to be repaid from what was actually borrowed and how much are the fees, the penalties, and the interest rates they are charging. It turns out that with the interest rates conventionally charged and the terms and conditions that are written into these agreements, many of the credit card companies are actually billing two times or more than the amount that is actually borrowed or remains to be paid. Often now it is higher than that.

Here is a form of a loan operation in my home State of Minnesota called Money Centers. Their slogan is: ''We make it easy.'' They make it easy all right. Their annual interest charge is 384 percent. But that is a bargain compared to Check and Go in Wisconsin. Their annual interest charge is 535 percent. Both of them combined do not equal the interest rate that is charged by the County Bank of Rehoboth Beach, DE, whose annual interest rate is 1,095 percent of annual interest charged on the amount that is borrowed. Now that is real abuse. That goes way beyond what we call predatory lending. That is ''terroristic'' lending. Yet this bill before us does nothing about those lenders' abuses that drive far more people into bankruptcy than what we are hearing about from the other side today.

This legislation does nothing about hospitals and other health care providers who charge uninsured patients much more than they charge their insured patients, or those covered by programs such as Medicare and Medicaid, and then turn around and charge exorbitant interest rates on top of on bills of tens of thousands of dollars to the very people they are supposed to be helping who cannot possibly afford, with moderate incomes, to repay those kinds of costs.

That overcharge for the uninsured is why an overnight stay at a Virginia hospital costs $6,000 if someone is on Medicaid, but it costs $29,000 if it is Paul Shipman who had a heart attack and is uninsured. That is why a woman named Rose Schaffer, who is now being harassed by a hospital collection unit after she suffered a heart attack, said:

> The hospital saved my life, but now they are trying to kill me.

This bill also does nothing about the abuses of bankruptcy laws that allow large corporations to declare bankruptcy, dump their pensions and their retiree health benefits, and then emerge from bankruptcy and leave thousands of innocent victims. I met with some of them just this last week in my State of Minnesota. It is heartbreaking. It makes you want to cry, and then it makes you so angry at the injustice that has occurred to good, hard-working men and women who have worked all their lives, played by the rules, did everything they are supposed to do, did their part, helped build these companies, and now they are retired and the companies go into bankruptcy, such as mining companies. As one of the workers said: A company gets the mine, and we get the shaft. The company comes out of bankruptcy court proceedings and it is profitable again, having left behind its pension obligations and its health obligations to retirees—people who are betrayed, abandoned, and left destitute with no recourse whatsoever.

Those are the terrible and huge abuses of bankruptcy laws that are destroying lives in Minnesota and across this country and are leaving American taxpayers with billions of dollars of unfunded pension obligations that they are going to have to pay rather than the companies that incurred them. This legislation before us does nothing about addressing those abuses.

A spokesperson for the distinguished chairman of the Senate Finance Committee, the author of this legislation, Senator GRASSLEY, said on behalf of Senator GRASSLEY, when he recently reintroduced the legislation:

> People who have the ability to repay some or all of their debts should not be able to use bankruptcy as a financial planning tool so they get out of paying their debts scot-free while honest Americans who play by the rules have to foot the bill.

I do not think any of us would disagree with that; I certainly would not. Then I see these companies using bankruptcy law as a financial planning tool, as a corporate car wash where they can go through and clean their ledgers of these obligations to workers and retirees and come out, reestablish profitability, and these men and women, good Americans, are left behind with nothing.

Again, that is an injustice enough by itself, but the other result is the taxpayers pay the bill. This bill does nothing about that. So my amendment actually adds a real consumer protection clause to the bill that otherwise does not deserve the name. It would limit the maximum annual interest that could be charged by anyone, any lender, to 30 percent.

Now, that tells us how bad things are in this country, that a 30-percent interest charge would actually be a reduction. Right now inflation has been running less than 2 percent annually. The current rate for a 3-month Treasury bill is 2.75 percent. The prime lending rate is 5½ percent. Thirty percent as a ceiling of what could be charged annually is still consumer abuse, but it is a lot better than 384 percent or 1,095 percent or 1,095 percent. So that is what this amendment would do. It would set a limit of the annual interest rate that could be charged by any lender to 30 percent.

If somebody believes it is not profitable for them to lend money, for whatever reasons, liability, likelihood of repayment, whatever else, that it is not profitable at a 30-percent annual interest, I say it is not a wise loan for the lender and it is not a wise loan for the borrower.

We have too many people in this country who are taking advantage of others and charging these astronomical, shameful, disgraceful, and they ought to be illegal, rates of interest and taking advantage of those people, driving them deeper into debt, many of those that my colleagues have cited as being the culprits in this situation, the nonhealth care borrowers who are running up these credit card debts.

If someone is paying 384-percent interest a year, they are going to run up that debt very fast. If someone is paying 1,095-percent interest on anything they have borrowed, believe me, anybody in this country is going to be needing to file for bankruptcy very fast. This bill does not even mention those abuses.

This amendment would put a real consumer protection clause into this bill and for that reason, as well as basic justice, we should do what this body is supposed to do, which is to stand up and protect Americans. I urge my colleagues to give it their support.

I yield the floor.

The PRESIDING OFFICER. The Senator from California is recognized.

AMENDMENT NO. 19

Mrs. FEINSTEIN. Mr. President, I call up amendment No. 19.

The PRESIDING OFFICER. Is there objection to setting aside the pending amendments?

Without objection, it is so ordered.

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from California [Mrs. FEINSTEIN], for herself, Mr. KYL, and Mr. BROWNBACK proposes an amendment numbered 19.

Mrs. FEINSTEIN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To enhance disclosures under an open end credit plan)

Beginning on page 473, strike line 14 and all that follows through page 482, line 24, and insert the following:

Section 127(b) of the Truth in Lending Act (15 U.S.C. 1637(b)) is amended by adding at the end the following:

''(11) ENHANCED DISCLOSURE UNDER AN OPEN END CREDIT PLAN.—

''(A) IN GENERAL.—A credit card issuer shall provide, with each billing statement provided to a cardholder in a State, the following on the front of the first page of the billing statement in type no smaller than that required for any other required disclosure, but in no case in less than 8-point capitalized type:

''(i) A written statement in the following form: 'Minimum Payment Warning: Making only the minimum payment will increase the interest you pay and the time it takes to repay your balance.'.

''(ii) Either of the following:

''(I) A written statement in the form of and containing the information described in item (aa) or (bb), as applicable, as follows:

''(aa) A written 3-line statement, as follows: 'A one thousand dollar ($1,000) balance will take 17 years and 3 months to pay off at a total cost of two thousand five hundred ninety dollars and thirty-five cents ($2,590.35). A two thousand five hundred dollar ($2,500) balance will take 30 years and 3 months to pay off at a total cost of seven thousand seven hundred thirty-three dollars and forty-nine cents ($7,733.49). A five thousand dollar ($ 5,000) balance will take 40 years and 2 months to pay off at a total cost of sixteen thousand three hundred five dollars and thirty-four cents ($16,305.34). This information is based on an annual percentage rate of 17 percent and a minimum payment of 2 percent or ten dollars ($10), whichever is greater.'. In the alternative, a credit card issuer may provide this information for the 3 specified amounts at the annual percentage rate and required minimum payment that are applicable to the cardholder's account. The statement provided shall be immediately preceded by the statement required by clause (i).

''(bb) Instead of the information required by item (aa), retail credit card issuers shall provide a written 3-line statement to read, as follows: 'A two hundred fifty dollar ($250) balance will take 2 years and 8 months to pay off a total cost of three hundred twenty-five dollars and twenty-four cents ($325.24). A five hundred dollar ($500) balance will take 4 years and 5 months to pay off at a total cost of seven hundred nine dollars and ninety cents ($709.90). A seven hundred fifty dollar ($750) balance will take 5 years and 5 months to pay off at a total cost of one thousand ninety-four dollars and forty-nine cents ($1,094.49). This information is based on an annual percentage rate of 21 percent and a minimum payment of 5 percent or ten dollars ($10), whichever is greater.'. In the alternative, a retail credit card issuer may provide this information for the 3 specified amounts at the annual percentage rate and required minimum payment that are applicable to the cardholder's account. The statement provided shall be immediately preceded by the statement required by clause (i). A retail credit card issuer is not required to provide this statement if the cardholder has a balance of less than five hundred dollars ($500).

''(II) A written statement providing individualized information indicating an estimate of the number of years and months and the approximate total cost to pay off the entire balance due on an open-end credit card account if the cardholder were to pay only the minimum amount due on the open-ended account based upon the terms of the credit agreement. For purposes of this subclause only, if the account is subject to a variable rate, the creditor may make disclosures based on the rate for the entire balance as of the date of the disclosure and indicate that the rate may vary. In addition, the cardholder shall be provided with referrals or, in the alternative, with the '800' telephone number of the National Foundation for Credit Counseling through which the cardholder can be referred, to credit counseling services in, or closest to, the cardholder's county of residence. The credit counseling service shall be in good standing with the National Foundation for Credit Counseling or accredited by the Council on Accreditation for Children and Family Services. The creditor is required to provide, or continue to provide, the information required by this clause only if the cardholder has not paid more than the minimum payment for 6 consecutive months, beginning after January 1, 2005.

''(iii)(I) A written statement in the following form: 'For an estimate of the time it would take to repay your balance, making only minimum payments, and the total amount of those payments, call this toll-free telephone number: (Insert toll-free telephone number).'. This statement shall be provided immediately following the statement required by clause (ii)(I). A credit card issuer is not required to provide this statement if the disclosure required by clause (ii)(II) has been provided.

''(II) The toll-free telephone number shall be available between the hours of 8 a.m. and 9 p.m., 7 days a week, and shall provide consumers with the opportunity to speak with a person, rather than a recording, from whom the information described in subclause (I) may be obtained.

''(III) The Federal Trade Commission shall establish not later than 1 month after the date of enactment of this paragraph a detailed table illustrating the approximate number of months that it would take and the approximate total cost to repay an outstanding balance if the consumer pays only the required minimum monthly payments and if no other additional charges or fees are incurred on the account, such as additional extension of credit, voluntary credit insurance, late fees, or dishonored check fees by assuming all of the following:

''(aa) A significant number of different annual percentage rates.

''(bb) A significant number of different account balances, with the difference between sequential examples of balances being no greater than $100.

''(cc) A significant number of different minimum payment amounts.

''(dd) That only minimum monthly payments are made and no additional charges or fees are incurred on the account, such as additional extensions of credit, voluntary credit insurance, late fees, or dishonored check fees.

''(IV) A creditor that receives a request for information described in subclause (I) from a cardholder through the toll-free telephone number disclosed under subclause (I), or who is required to provide the information required by clause (ii)(II), may satisfy the creditor's obligation to disclose an estimate of the time it would take and the approximate total cost to repay the cardholder's balance by disclosing only the information set forth in the table described in subclause (III). Including the full chart along with a billing statement does not satisfy the obligation under this paragraph.

''(B) DEFINITIONS.—In this paragraph:

''(i) OPEN-END CREDIT CARD ACCOUNT.—The term 'open-end credit card account' means an account in which consumer credit is granted by a creditor under a plan in which the creditor reasonably contemplates repeated transactions, the creditor may impose a finance charge from time to time on an unpaid balance, and the amount of credit that may be extended to the consumer during the term of the plan is generally made available to the extent that any outstanding balance is repaid and up to any limit set by the creditor.

''(ii) RETAIL CREDIT CARD.—The term 'retail credit card' means a credit card that is issued by or on behalf of a retailer, or a private label credit card, that is limited to customers of a specific retailer.

''(C) EXEMPTIONS.—

''(i) MINIMUM PAYMENT OF NOT LESS THAN TEN PERCENT.—This paragraph shall not apply in any billing cycle in which the account agreement requires a minimum payment of not less than 10 percent of the outstanding balance.

''(ii) NO FINANCE CHANGES.—This paragraph shall not apply in any billing cycle in which finance charges are not imposed.''.

Mrs. FEINSTEIN. I ask unanimous consent to add Senator BROWNBACK's name to this amendment as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. FEINSTEIN. Mr. President, this amendment is offered on behalf of the Senator from Arizona, Mr. KYL, and myself. Because Senator KYL has an urgent appointment, I will make a very brief statement and then turn it over to Senator KYL, and then I will wrap up. I ask unanimous consent to be able to do that.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. FEINSTEIN. Mr. President, today 144 million Americans have credit cards and they are charging more debt than they have in the past. Let me give one example of that. Credit card debt between 2001 and 2002 increased 8½ percent. Between 1997 and 2002, it increased 36 percent, and between 1992 and 2002, it increased by 173 percent. Forty to 50 percent of all credit card holders make only the minimum payment.

I am a supporter of the bankruptcy bill, but here is the rub: Individuals get six, seven, or eight different credit cards, pay only the minimum payment required, and then end up with debt rolling over their shoulders like a tsunami. That happens in case after case. So that is the predicate for this amendment. It is like Senator AKAKA's amendment, but it is less onerous than the amendment of Senator AKAKA. I will explain that, but first I defer to my cosponsor, the Senator from Arizona.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Arizona is recognized.

Mr. KYL. Mr. President, I thank the Senator from California for deferring because I do have only a moment. I join her in speaking in favor of this amendment and laying it before our colleagues. The point of the bankruptcy reforms is to try to help people get into a position to pay their obligations freely contracted and to try to make sure that creditors get as much of what they are owed as possible. Part of that is to try to help people not get into situations where they are not going to be able to pay their debts, and that is the basic philosophy of this amendment.

One can go too far and put conditions on companies such as credit card companies, for example, that are so onerous that they cannot possibly comply. People want to have ease of dealing with credit cards, but one can also get into a lot of trouble with credit card debt, as everybody acknowledges. It can get away from a person if they are not careful. What this amendment does is to borrow from a California statute that was declared invalid in California by a Federal court only because it was preempted by the Federal law, the Truth In Lending Law, which we are hereby amending, so that that same provision would apply again in California and to the other States as well.

It requires the companies that offer these cards, when they find someone is paying the minimum amount on a monthly basis, to let them know what will happen or what can happen if they continue to do that, which is essentially that a person is going to end up paying a lot of interest and they are going to end up with a huge debt at a certain point in time that they are not aware of. They need to be aware of it. So we are going to tell the person either hypothetically, if it is not possible to do it on an individual basis, or individually, what the consequences of their paying this minimum amount are, a way to try to help people understand what they are doing and thereby better arrange their affairs so they can pay their debts, and therefore the creditors get paid. That is a win/win for everybody.

We have tried to strike the right balance. I think the legislation that was offered by Senator AKAKA was simply seen as unworkable and that is why I opposed it. The concept is not bad; it is that the execution of it would not be possible. We think this strikes a better balance. If our colleagues can demonstrate that somehow or other this is impossible to do, we invite them to demonstrate that. We think it strikes the right balance and yet achieves both of the objectives of helping people keep their affairs straight and making sure all of the creditors get paid.

We will have more to say, but I do only have a moment. I thank Senator FEINSTEIN for her leadership on this issue, for bringing it to my attention and for helping to pursue it today.

The PRESIDING OFFICER. The Senator from California.

Mrs. FEINSTEIN. I thank the Senator from Arizona for his cosponsorship on this amendment and also for his friendship as well.

We have talked about credit card debt increasing. Let me talk a little bit about what it is today. It has increased from about $251 billion in 1990 to over $790 billion in the year 2000. That is an increase of 300 percent.

There has been a dramatic rise in personal bankruptcies during these same years. In 1990 there were 718,107 personal bankruptcies. In 2000 that number had almost doubled to 1,217,972 personal bankruptcy filings. In 2004 it went up again, to 1,563,145 personal bankruptcy filings. Many of these personal bankruptcies are from people who get a credit card. It looks alluring. They do not recognize what a 17-, 18-, 19-percent interest rate can do. They pay just the minimum payment. They pay it for 1 year, 2 years—they have something else, they get another card, they get another card, they get another card, they do the same thing.

They get 2 or 3 years down the pike and they find that the interest on the debt is such that they can never repay these cards, and they do not know what to do about it.

We say that the credit card companies have some responsibility. During the first 6 months of the minimum payment of the balance, the credit card companies, under this amendment, would just put forward what they negotiated to put forward in California. There are a couple of options, and it is just really incremental debt sizes. If you have $1,000 worth of debt, and you make the minimum payment, this is what happens. If you have $2,500 worth of debt or $5,000 worth of debt, this is what happens. So there is that scheme and that is in the underlying bill. Or another one, which is $250, $500, or $750 in debt.

After that, if the consumer makes only minimum payments for 6 consecutive months, then this is where the bill comes in. The credit card company is responsible for letting the individual know essentially how much interest they have, and disclose in each subsequent bill the length of time and total cost which is required to pay the debt plus interest.

People have to know this. If they are a minimum-payment person, they have to know what it means to make those minimum payments over a substantial period of time.

The amendment would also require that credit card companies be responsible to put out a 800 number, included on the monthly statement, where consumers can call to get an estimate of the time it would take to repay their balance, if only making minimum payments, and the total amount of those payments. If the consumer makes only minimum payments for these 6 months they, then, receive the 800 number and they can begin to get involved and understand it.

Senator KYL pointed out the differences between our bill and the Akaka amendment. The underlying bill, as I said, provides only for basic payment disclosure. The bill does not require credit card companies to disclose to card holders exactly how much each individual card holder will need to pay, based on his or her own debt, if a card holder is only making minimum payments.

As I said, what we do is after 6 months of these basic minimum payments, then the credit card company must let the individual know: You have X dollars remaining on your debt, the interest is Y, and your payout time will take Z, or whatever it is.

We think this is extraordinarily important. We believe it will minimize bankruptcies. This, I suppose, is what I deeply believe. When companies charge very substantial interest rates, they have an obligation to let the credit card holder know what those minimum payments really mean, in terms of the ability of a minimum payment to completely pay back that debt—how long it takes. I have people close to me I have watched, with six or seven credit cards, and it is impossible for them, over the next 10 or 15 years, to pay off the debt if they continue making just minimum payments. Therefore, they have to find a way to resolve that debt. To date, you have two recourses.

One recourse is you go into a counseling center and they can repackage all this debt for you and put it into one

and somehow work out an agreement with the credit card company. I tried to do this for someone. As a matter of fact, the credit card company would not agree to any reduced payment. Or they go into bankruptcy.

These huge numbers of bankruptcy filings show that this is, indeed, a problem. If we are going to have a bankruptcy bill, and I certainly support a bankruptcy bill, it is also important that the credit card companies play their role in disclosure. That disclosure is that if you make a minimum payment, and your interest is 17, 18, 19 percent or even 21 percent, here is what it means in terms of the length of time you will be paying your bill and what it will take to pay that bill.

I think you will have people who are more cautious, which I believe is good for the bankruptcy courts in terms of reducing their caseloads, and also good for American consumers.

I join with Senators KYL and BROWNBACK in presenting this amendment, which is a kind of compromise to the Akaka amendment, in hopes that the Senate will accept it.

I yield the floor.

The PRESIDING OFFICER (Mr. MARTINEZ). The Senator from Alabama is recognized.

Mr. SESSIONS. Mr. President, I thank Senator FEINSTEIN for her comments. As I see it, we have probably a couple of little difficulties with amending the Truth in Lending Act—the Banking Committee has jurisdiction over that—how we will go forward. I do agree with the Senator from California that the plain fact is that credit card companies have an interest in getting reliable credit card holders not to pay on time—because they would be making 18 percent or whatever percent interest—if they are reliable people and they pay their debts. So I think sometimes their disclosure is not clear enough on the minimum payment. They put the minimum payment in big print and the total amount due is printed small because I think sometimes they don't really want people to pay it early. Some attention should be given to that, and I would consider their amendment.

Let me repeat what we are about here. We have been hearing all day, virtually, about health care bankruptcies as if this bankruptcy bill does not provide relief for people who have health care debts. It certainly does. What we are about is to reform the procedure of Federal bankruptcy courts in America. All over this country there are Federal courts, bankruptcy courts. They handle the petitions of people who have incurred debts that they say they are unable to repay. They would like to wipe out those debts, not owe anybody anything. Stop the phone calls, stop the lawsuits—nada—not pay what they owe.

We provide for that. As has been stated before, the last numbers we have, 1.6 million people have filed that way.

I would say without doubt that a number of those people who have filed, quite a number, really needed that relief for whatever reason. They got themselves in serious financial trouble. It is interesting that people who manage their money well are very careful with how they spend. They don't run off and buy new cars. They take care of their money carefully. They don't usually end up in bankruptcy court—very seldom. Look around at your neighbors, the people you know who take care. They don't overdress. They drive a modest car. They take care of their money. They are not filing bankruptcy.

Some of them get into trouble through no fault of their own, no doubt. But I am just saying that.

There are advertisements all over America in newspapers and late night TV and cable: Come on down. Wipe out your debts. You don't have to pay what you owe. Just come on and talk to old Joe, your good, friendly bankruptcy attorney, and he will just wipe them all out.

Do you know what they tell them when they come in there? They say: Take out your credit card. I want you to take your paycheck that is coming in now, you pay that to me, pay my fee, and you put everything else on your credit card. Then when you are bankrupt you just wipe that out and you don't have to pay the credit card company.

That is the way it works. We know that. People are following the advice of their lawyer. Lawyers are giving them advice based on what the law allows them to do.

Mr. President, you are a lawyer. When you come in there, the law allows you to tell your client that is what they ought to do and it is going to save them money. Then they do it. It is not illegal. I guess it can't even be said to be unethical, because it is provided for under the Federal bankruptcy law that we in this Senate are responsible for creating, monitoring, and fixing when it is not working right. That is all I am saying. We are not here to deal with the uninsured on a bankruptcy reform bill. We are not here to fix all the language on bank lending and interest rate problems in America on a bankruptcy bill.

This legislation is now up for its fourth time in the Senate. We have already had four markups in Judiciary over 8 years. It is basically the same bill. It is time for us to have some reform. That is all we are saying.

I want to talk about the health care debt. I hate to say it. We have had some demagogic comments. You know, some of them have been down here—not Senators FEINSTEIN and KYL—talking about credit card companies. When they give out money they are bad companies, as though they are the evil forces. I know they have a profit interest. I know they like to get that high interest rate. I know they are not unhappy if my mother sends in by mistake the minium payment rather than the total debt due when she probably would have paid the total debt due if she could read those complicated forms. I am not saying they don't have an interest in making a profit. They do. But the very act of any credit card company that provides money to Americans and then they don't pay it back, who is oppressing whom here? We have class warfare rhetoric going on such as the credit card companies ought to be blamed for providing money to people who do not pay it back. That is just an aside; not particularly valuable, I suppose, in the course of this debate.

We are trying to create a system that allows us to fairly and responsibly wipe out people's debt so they don't have to pay what they owe.

What about medical debt? If you have enough money to pay some of your debt, let me ask you: Should you pay your doctor, should you pay your hospital, or those evil entities? If other people are getting paid money, ought not they to be paid? That is in some sense what is being suggested here.

Let us take a look at what the deal is. This is to repeat, the deal is this: On this reform, people who file for bankruptcy who make above median income may be required by the bankruptcy court to pay at least a portion of what they owe based on their income as they show it to the court. If their income is below median income, they wipe out all their debt, as they always have.

There is a growing concern in America that doctors, lawyers, high-income people run up a bunch of debt, and they have decided they would rather wipe it out than to pay it back, and they go into bankruptcy court. Do you know they can do it? Now a person with a $200,000 a year salary can have $100,000 in debt and go into bankruptcy court and wipe out those debts today and not pay any of it, be free and clear.

Under this bill, they would say, Wait a minute. Your income is high enough. Over 5 years is all they can be made to recompense the debt when they got money or services. We are going to scale out what we think you can pay for at least 5 years so that those people you got money and services from will get something back. You don't get to wipe out all of your debt. That is what we are talking about.

What the experts have told us in the Judiciary Committee, of which I am a member, is that 80 percent of the people who file bankruptcy are below median income. Surprise, surprise. Most people who are filing bankruptcy have lower incomes. So 80 percent will not ever be in the higher level and not be required to pay back any of their debt,

whether they are medical debts, gambling debts, automobile repair debts, whatever those debts are. They won't be required to do that.

In addition, the bill provides for special circumstances, and the court can still not make them have to pay back any of it. The expert witness we had in Judiciary Committee a few weeks ago said that based on his opinion and what he has studied, he felt probably an additional 7 percent would qualify there.

I submitted yesterday, and it was agreed to, the Sessions amendment to the bill that explicitly states health care can be a special circumstance that would cause a person not to go into chapter 13 and the court could find them to stay in chapter 7.

What Senator KENNEDY's amendment would do is provide protection for the rich. It would provide no protection, no benefit whatsoever for poor people—people making below median income. They do not get any benefit out of it. He is providing an amendment that says somebody making $200,000 or $300,000 a year won't have to pay a dime to his local hospital; won't have to pay his doctor bills; won't have to pay his pharmacy. Why? That is not right, in my view.

Not only that, it goes at the core of what this legislation is about—trying to bring some balance into the system to treat poor people fairly; let them wipe out a bit of their debt, and people with some income to pay it back. The court would require them to pay some of that back, depending on the level of that income. I think we need to think about that.

Let me say this: I have been around this bill now since I have been in the Senate. There is a Professor Elizabeth Warren who has been absolutely incredibly determined to defeat this bill. She has written op-eds, and she has distorted this legislation, in my view. She has not accurately stated the facts, and she has been given every opportunity. She was allowed to testify at the last hearing which I referred to. I want to comment on some things that I think are important which this professor ought to be aware of.

On the eve of our hearing, she announced this big, new survey that 54 percent of people in bankruptcy are in bankruptcy because of medical bills. Therefore, we ought to collapse, I suppose, and not have bankruptcy reform on that view.

Let me show you what the accurate numbers are.

Her study involved interviews of certain numbers of people; about 1,700 people as I recall, 1,700 bankruptcy filers they surveyed. They have a very broad definition of what a medical bankruptcy is. Whoever heard of a medical bankruptcy?

I see the Presiding Officer, an attorney from the State of Florida.

There are bankruptcies; you go into bankruptcy. This is not a medical bankruptcy. Medical debts are part of a debt you may owe. Maybe you don't have any medical debt. But it is not medical bankruptcy. It is bankruptcy. According to the column on medical bankruptcy, her definition of medical bankruptcies is gambling debts, and alcohol and drug abuse, in addition. So if you have alcohol, drugs, or gambling, she counts that as a medical bankruptcy. That goes to show you the tilt in her report that she accounted with such great fanfare a few weeks ago.

Now, interestingly, the Department of Justice, which operates the U.S. trustee system in 48 States—they work in the bankruptcy courts. They monitor the bankruptcy courts. They try to watch out for fraud and abuse. They did a survey in 2000 to 2002 on medical cost as a factor in bankruptcy cases. They reviewed 5,203 chapter 7 cases from 48 States. Only slightly more than 5 percent of unsecured debt reported in those cases was medically related from actually looking at their bankruptcy filing.

When you file bankruptcy, you fill out a form. You ask the court to wipe out these debts so you do not have to pay them, and you list your debts. If you do not list a debt, the court cannot wipe it out. Everyone today who chooses to file chapter 7 can wipe out their debts, but they have to list them. All we have to do to determine how much of the total existing debt is based on medical is to look at the files. That is what the U.S. Trustee did. They found 5 percent of the total debt was medically related. They also revealed in their study that 54 percent of the cases listed had no medical debts whatever. Fifty-four percent did not mention any medical bill—not a $25 bill to the doctor or a $50 bill to the pharmacist.

They noted that those who did have medical debts—and it has been suggested that Americans are crushed under huge medical bills; sometimes that happens, I do not deny that—they found that 90 percent of the cases that did have medical debts reported debts of less than $5,000. If you are making $75,000 or $80,000 a year, you might be able to pay back part of that $5,000. So why shouldn't they pay back a portion of that cost? Even in those cases where a medical debt was listed on their petition for bankruptcy, the medical debts only accounted for 13 percent of the total unsecured debt for those files.

That is a completely different picture than what we have been hearing today. This is a completely different picture, I submit, than we have been hearing from Professor Warren, who has opposed bankruptcy reform for any reason she can conjure. I have read her statements, and they have not been objective. This is another example of it. I don't appreciate it. She can say what she chooses. Senators can quote her numbers all they want, but I believe those numbers from the U.S. Trustee Program based on review of actual bankruptcy filings where debts have to be listed are accurate, far more accurate than the other.

Now, if you do have medical debts and those debts tip you over into bankruptcy—maybe you were getting by, and, bam, you have an $8,000 bill you cannot handle and you feel you have to go into bankruptcy. If your income is below median income in America, you wipe out every bit of that debt. For 80 percent of the people, they will be able to do that if that is what they choose. If they make above that higher income level and can pay back, according to the court, some of their hospital debt, they ought to pay it back. I don't apologize for that. That is what we ought to do. That is what this bill strives to do.

As my amendment we passed yesterday explicitly states, if medical causes are a problem and extraordinarily difficult, medical problems can be a factor for the court to allow those with incomes even above median income to go into chapter 7 where you wipe out all your debts rather than chapter 13 where you pay back a portion.

Finally, chapter 13 has many good values. There are many things good about chapter 13. This will shock some of my colleagues. In Alabama, the latest reports I got from our bankruptcy judges are that around 50 percent of the filers in Alabama file under chapter 13. Why would they agree to pay back part of their debts? No. 1, they like paying back their debts. Like under chapter 7, the creditors can no longer call them, they cannot be sued, and they cannot be harassed at their workplace. Any lawsuits filed against them are stayed and stopped. The money is paid to the bankruptcy court. They pay out a percentage to each of the creditors based on the court's finding of how much each is entitled to get. They do this and work their way out of it, and they are happy. They are able to keep their automobile, often, and cram down the value of it. Maybe they bought an automobile for $25,000 and they kept it 3 years. They went into bankruptcy, and it is now worth $15,000. When they recompute the numbers, they only have to pay back $15,000. They actually walk away from paying an obligation they promised the dealer or the bank. It may help them keep a home. There are a lot of reasons why lawyers who represent their clients think chapter 13 is not such a bad thing. In fact, it is in the interest of the client.

Those people I refer to in Alabama who voluntarily choose chapter 13 could choose chapter 7 without any hesitation if they thought it was better. Just because someone is moved into chapter 13 does not mean it is all bad. In fact, many people choose it for a variety of reasons.

Anyone with median income or below or even above who has extensive medical bills will either be able to wipe them all out if they are below median income; if they are above median income, they can be required to pay some of that debt back in monthly payments in a period not to exceed 5 years. That is fair. That is just. Who knows, it might help our hospitals keep their doors open instead of having to close.

I feel strongly about this bill. Every issue that has come up now has come up previously. It is time to move forward. Let's get this bill done, complete this work, and help improve the integrity of the bankruptcy system.

It also provides tremendous benefits for women and children. They have a much higher priority in bankruptcy for alimony and child support. It eliminates the obstructive use of bankruptcy court to block evictions, eliminates a lot of other abuses, and contains some attorney fees in ways that have not been good in the past. There is a lot that is helpful that will streamline our system and make it better.

I thank the Chair and I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, I listened with some interest to my colleague and his description of the bankruptcy bill. I have felt for some long while, and have voted that way in the Senate, that the pendulum swung a bit too far in bankruptcy and needed to be adjusted some. I believe the last time we voted in the Senate was 5 years ago.

But I am concerned there is an effort on the floor of the Senate to turn back every single amendment that is being offered, believing that the only body of thought that has any merit at all is that which came out of the committee; that all of the proposals that are offered on the floor of the Senate somehow are without merit; that the adjustments or the approaches that might be helpful to some people who are more vulnerable are provisions without merit.

They may find, it seems to me, if they turn back all of these amendments, that there might not be so much support for the bankruptcy bill as there has been in the past.

Let me talk for a moment about this issue of credit cards. My colleague just spoke about the credit card companies. First of all, let me admit, I think there have been abusive bankruptcies. There is no question about that. It is one of the reasons I believe the pendulum was swung a bit too far and probably should be brought back a bit. But there are two sides to all of this as well.

We have credit card companies these days that blizzard this country with credit cards, wall to wall. Go to a college campus and take a look at every mailbox. Credit card companies want to offer credit cards to people who have no income and no jobs. They say: Take our credit card. Take a second credit card. Take a third and a fourth.

My son was age 10 when he got a preapproved credit card, a submission from Diners Club. He was 10 years old. So I called Diners Club. I said: It's a good thing I got ahold of it before my son did. He would have probably been in France.

I guess a 10-year-old couldn't travel. But the fact is, he probably would have been interested in doing something with that credit card.

They said: Well, it was a mistake.

It was not a mistake. And it is not just Diners Club. Go through the whole list of credit cards. It is not a mistake that they are sending credit cards to people who have no income, people who have no jobs, people who do not have a prospect of income. Do you know why it is not a mistake? Because they take these giant mailing lists and they ship these preapproved credit cards to everybody, understanding that some people are going to get them who should not get them, and they won't pay, and so they will just figure out how to deal with all that with higher charges to everybody else, and at some point they will get relief from Congress, even, on bankruptcy issues.

It is not just credit cards. Go down the street someday and see the picture window that beckons you, in big red color type, that says: Hey, come over here. Buy our product. We'll give you a zero-percent interest rate until next August. Before you get home, we will send you a rebate check. Come on, buy it. It doesn't matter whether you can afford it or not, buy our product.

Turn on the television set in the morning and hear the advertisement from the company that says: Bad credit? Come and see us. You have not been paying your bills? You have a problem on your credit report? Come and see us. We have credit available for you.

So there are two sides to all of this as well. Those who are blizzarding and papering this country with credit cards and debt, those who know better, even as they do it, ought not come to this Congress and say: Well, now we have some problems. Now we have some defaults. We want you to tighten the bankruptcy laws.

I think if the majority decides that in every circumstance every amendment that is going to be offered in the Senate on these issues is going to be turned away, perhaps they will not have the robust vote on bankruptcy reform they expect.

SOCIAL SECURITY

Mr. President, I think this issue of bankruptcy in some ways ties to another very significant issue that we are debating in the Congress and will be debating across the country for months; this issue of Social Security. There are so many millions of Americans—tens of millions of Americans—often women, often in their seventies, eighties, and nineties, often living alone, whose only source of income is a Social Security payment each and every month. It is the difference between their ability to live, to eat food, to buy prescription drugs, to pay rent, and their not having the ability to do those things.

You go back to 1935, when Franklin Delano Roosevelt signed the Social Security bill. Fifty percent of America's senior citizens who reached retirement age were living in poverty. In this great country of ours, one-half of our elderly were living in poverty.

What a wonderful country this is in which to live. There is no question about that. We share this globe with 6 billion people—6 billion of them. It is only us who have the opportunity to live in this country. Six billion people are our neighbors. One-half of them have never made a telephone call. One-half of them live on less than $2 a day. A billion and a half people do not have access to clean, potable water every day. We are lucky enough to live here.

But just think, 70 years ago, in this great country, as we were building and creating and expanding our country, one-half of the people who reached retirement age were living in poverty. They helped build this country. They worked hard. They went to work every day. They did not complain. They did the best they could and reached that period of their lives where they had a declining income situation because they were not working anymore. They were retired and living in poverty.

Well, this country did something about that, and it ought to be proud of it. Franklin Delano Roosevelt signed a bill called Social Security. Yes, the same people who are now skeptical about Social Security back then attacked him unmercifully. Social Security was decried as creeping socialism. It was decried as Government interference. The fact is, the Social Security Program created an insurance program that all workers paid into for the purpose of providing a stable insurance policy upon retirement that would always be there, a guaranteed benefit upon retirement that you could count on. And like that, the poverty rate among America's senior citizens went from 50 percent to now slightly less than 10 percent.

This program has lifted tens of millions of Americans out of poverty. It has worked, and worked well. And as this Congress now talks about bankruptcy legislation, let us talk about the issue of that which has prevented so many people from having to file bankruptcy, and that is the Social Security Program that has provided stable, predictable, consistent, and dependable revenue from an insurance program when people retired from their jobs. It has worked, and worked well for over 70 years.

There were some who did not like it in the 1930s and 1940s. They were aggressively opposed to Social Security. Their ideas live on even today. They would like to take the Social Security system apart because they believe it is, in the words of one of the far right conservatives, the ''soft underbelly of the liberal welfare state.'' Those are his direct words.

In 1978, President George W. Bush ran for Congress in Texas, and he said: Social Security will be broke in 10 years. So in 1978, President Bush said Social Security would be flat busted in 10 years, by 1988. Of course, he was not accurate. But he said back then we should go to private accounts in Social Security.

Now, all that says to me is that this is not about economics for this President. It is about philosophy. I am not critical of him for that. He has every right to believe the Social Security system is somehow unworthy, ought to be taken apart, that it ought to be changed to a system of private accounts. The President has the right to believe that. He believed it back in 1978, and he manifested that belief even now as President.

But let's understand, then, that this is not about economics, it is about philosophy. In fact, there is a memorandum dated January 3, which comes from the chief strategist in the White House about Social Security, and let me quote from it. This is from Peter Wehner, who is the chief strategist in the White House on Social Security planning:

I don't need to tell you that this will be one of the most important conservative undertakings of modern times.

Interesting, isn't it? The first paragraph describes what is happening in the President's proposal, about Social Security as ''one of the most important conservative undertakings of modern times.'' And if accomplished, it will be ''one of the most significant conservative governing achievements ever.'' Again, describing this issue as a ''conservative undertaking.'' Its success is a ''conservative governing achievement.'' And then he connects it to the commitment to the ownership society, control for individuals over their own lives, and so on.

He says:

If we borrow $1–2 trillion to cover transition costs—

That is the first place this shows up, which is an acknowledgment that everybody understands, that the President never talks about, that in order to go to transitions to private accounts, you have to borrow money—$1 to $2 trillion. That would be borrowing money on top of the largest debt this country has ever experienced. We have the largest fiscal policy deficit in history. We have the largest trade deficit in the history of this country right now. On top of that, the President would propose a $1 to $3 trillion—this says $2 trillion—but $1 to $3 trillion borrowing in order to set up private accounts. It is: Borrow money, put it in the stock market, cut benefits in the underlying Social Security Program—I will get to that in a moment in this memorandum—and hope that somehow it will all come out all right.

Let me read what is the most telling piece in the White House memorandum about the Social Security plan:

For the first time in six decades, the Social Security battle is one we can win. . . .

It is clear what he is saying. The White House memorandum of the strategy, No. 1, in the front end calls it a conservative undertaking, not just some policy debate about something that will strengthen the country, a conservative undertaking. Then he said:

For the first time in six decades, the Social Security battle is one we can win. . . .

What is that battle? Go back to Alf Landon in the 1930s, who decried Social Security, and bring it back every decade since; the fact is that there are those who have never wanted Social Security, never liked Social Security, believe it is some sort of Government intrusion in people's lives and they have always wanted to basically get rid of it. That is the battle.

The White House says:

For the first time in six decades, the Social Security battle is one we can win. . . .

Well, who wins when we decide to begin taking apart one of the most successful things that we have ever done in our history to lift people out of poverty? When you work you pay an insurance premium in your paycheck. It is called FICA and the ''I'' is for insurance. That is what it stands for. You put it in this fund, and when you retire, Social Security payments will be there for you. They don't belong to someone else, they belong to you. They are yours. And it is not just the old age benefit or the retirement benefit. If along the way you are disabled, there are disability benefits. If along the way the principal wage earner dies and you have children under the age of 18, there are survivor benefits. All of that is available to those workers who are paying these premiums month after month.

It is really interesting and—for me at least—a bit disturbing that we have turned in this country to a debate about me, me, me, and me: When is it my turn? How about me? Forget about the other guy, how about me?

I think both political parties contribute to this country. The notion of self-reliance, coming from the pioneers on the homestead, breaking sod, building log cabins, rolling up their sleeves, doing for themselves, herding cattle on the open range, hard work every day, self-reliance, I understand all that. It is a wonderful ethic that helped build this country. But there is more than that, much more than that because those pioneers on the prairie, the pioneers who homesteaded the prairies where I come from in southwestern North Dakota knew there was more than self-reliance and rolling up your sleeves and handling it yourself. It was also about building a community, building your churches and roads and schools and building the rural electric co-ops to move electricity to the farms. It was about fighting things that were more than just yourself, being a part of something bigger than yourself, fighting for women's rights, worker rights, for equal rights, for minority rights. All of that is also a part of the legacy that has improved this country and lifted it.

Now we come back to this mantra almost every day—centered now around Social Security—what about me, what about mine. I want mine right now.

The Social Security system in many ways is a compact between the generations. It is a compact from my kids to me to my parents and has been for over 70 years. Some people say: Compacts don't matter. Promises don't matter. None of this matters. What matters is what is me, mine, right now, ownership.

I don't know. I wonder sometimes if this country would be the kind of country it is if that attitude prevailed in every circumstance. There are things that we do alone that represent initiative and self-reliance that are very important, that represent the incentive to build and to do better, the incentive for success. But there are other things equally important that represent the things we do together that have helped build a great society, helped build great communities of interest and helped pull each other up as a society. To sacrifice one for the other injures opportunities in this country's future.

I have never quite understood if there is someone in this Chamber who believes there is something more important than their kids. I guess not. Most of us would aspire to do anything for our children. We love our children. We want life to be better for our children.

But following that, we also believe that when our parents reach that period in their life where we call them elderly and they have less income than they used to have and less ability to meet their daily needs and to pay for the high cost of prescription drugs and pay the rent and buy the groceries, all the things they are required to do, that we want to reach out and help them. We believe helping our parents and our grandparents is something that is important as a part of this country's responsibilities. That is what the Social Security system has been about.

We are going to have a lot of discussion about Social Security, and it is going to go from coast to coast. The President has a big old airplane, a 747,

a big fat one with a hump on the nose. He has unlimited fuel, and good for him. I respect him. He is our President. He has a right to believe as he does on these issues. He is going to sell this all across the country. But we, too, have an opportunity and a responsibility. I believe strongly that what we have done to build opportunity has included the creation of a Social Security system that I know works.

Our late colleague, Daniel Patrick Moynihan, Moynihan used to say that everyone is entitled to his own opinion, but not to his own facts. My hope is as the President travels around the country, and as we debate here in the Congress, my hope is that we can agree on the basic set of facts.

The facts are contrary to the President's assertion in the State of the Union Address. In the year 2018, the Social Security system will not be taking in less money than it spends. That was the allegation the President made. Not true, just flat not true. According to Social Security actuaries, if we have a very low rate of economic growth, much below that which we experienced in the previous 75 years, if we have that low rate of economic growth, by the year 2042, we will have less revenue coming in to the Social Security system from both payroll taxes and accrued interest on the assets than we will need to be paying out. The Congressional Budget Office says that year is 2052. That is almost a half century from now.

Pick the one you like. In any event, we do not have a crisis in Social Security. It is not going to take major surgery or a major adjustment to make Social Security whole for the long term. Our job ought to be to work together to find a way to strengthen and preserve Social Security for the long term and then strengthen and improve on the other two elements of retirement security. One is pensions, and that is to encourage more employers to offer pensions because only half of American workers are now covered. The second is private investment accounts such as IRAs and 401(k)s outside of Social Security and pensions.

We can, should, and—I hope—will do much more in incentivizing those kinds of investments. But job No. 1 for us ought to be to preserve the basic Social Security system. We can do that. We surely will do that. But first we have to turn back the philosophy of those who write memorandums from the White House and who are the chief strategists, who create the White House plan on Social Security, who say:

For the first time in six decades, the Social Security battle is one we can win. . . .

Meaning they have never liked it. They didn't support it in the first place, and they would love to begin taking it apart first by creating private accounts; second by, in this memorandum, describing the change in indexing which will cut everyone's benefit in the Social Security Program.

I wanted to make one additional comment. I understand some colleagues are waiting. I intend to offer an amendment on the bankruptcy bill—hopefully tomorrow morning—that deals with something extraneous to bankruptcy but an issue that is important and timely.

At a hearing this morning, the Defense Department told me we are spending $4.9 billion a month in Iraq and Afghanistan. The administration has included zero in its next year's budget for that purpose. But they are asking for an emergency supplemental to fund it.

I have held hearings—my colleague from Illinois has attended those, and I believe my colleague from Florida has as well—on the subject of contracting in Iraq. There is massive waste, fraud, and abuse going on. I will describe a couple of things that have been testified to. Somebody orders 50,000 pounds of nails to be sent to Iraq for construction contracts. It turns out they are the wrong size. You know what happens? They are dumped on the ground—50,000 pounds of nails on the ground in Iraq that are the wrong size. People driving $85,000 brand new trucks. If they run out of gas or something happens to them, they leave the truck and let somebody torch it. Halliburton is alleged to be billing us for serving 42,000 meals a day to our soldiers when, in fact, they are only serving 14,000 meals. They are overbilling us by 28,000 meals a day. It is unbelievable, the massive waste, fraud, and abuse going on.

At a hearing a couple of weeks ago, we had people with pictures that showed they have massive cash in vaults and they say if you are going to pay contractors, tell them to bring a bag and we will fill it with cash. We are talking about the massive wasting of taxpayers' money going to these sole-source contracts for billions of dollars and nobody cares.

My colleague from Illinois introduced a piece of legislation last year on this subject. I talked to him yesterday about an amendment I wanted to introduce on this bill and am going to introduce in the morning, and he will join me. This is a very important issue.

I am happy to yield to the Senator for a question.

Mr. DURBIN. Mr. President, I would like the people following this debate to understand what is being said. We have spent billions of dollars on the war in Iraq, and I voted for every penny of it. If it were my son or daughter over there, I would give them everything they needed to get their mission accomplished and come home safely. I ask the Senator from North Dakota, how many official committee hearings and investigations have there been in Congress looking into the sole-source, multibillion-dollar contracting the Senator has referred to?

Mr. DORGAN. My understanding is, I believe there was only one in the House, and the bulk of that was to defend the company called Halliburton—and there were no such hearings by the standing committees in the Senate. Essentially, there has been no interest in looking at this kind of abuse. The Senator from Illinois was at a DPC hearing we held. We had a guy there who used to purchase towels. He purchased hand towels for soldiers. He held up the towels. He showed us that they are nearly three times the price of the towels they purchased for U.S. soldiers. Why? Because the company wanted its logo on the towel. So they buy a towel with a company logo on it for the soldiers and nearly double-bill the American taxpayer. This is a small issue in itself, but it is an example of what is going on, pervasively.

Mr. DURBIN. If the Senator will yield for another question, the amendment he is going to offer, which I have worked on as well and am honored to join him as a cosponsor, is modeled after the Truman Commission that was created during World War II. Isn't it true that Harry Truman, a Democratic Senator from Missouri, initiated this investigation into what he called profiteering during the war at the expense of soldiers and taxpayers, and was literally examining the practices of a Democratic President, Franklin Roosevelt, with that commission, so that here he was, a Democrat, saying he had a higher responsibility to the taxpayers and soldiers. He was going to investigate the activities of the War Department under a Democratic President. I ask the Senator, was that not the case?

Mr. DORGAN. The Senator from Illinois is correct. President Truman got in his car, as a matter of fact, and began driving around the country to military installations to see what was going on. He came back and said there is something rotten here; a massive amount of waste is going on. He convinced Congress to create the Truman Commission, which was an investigative committee. And he was a Democrat, and there was a Democrat in the White House, but that didn't stop him from investigating.

In this circumstance today, we have a Republican in the White House, Republicans controlling the House and Senate, and they have no interest in doing any oversight hearings. Our colleagues asked the committee: Will you do an oversight hearing on the issues? The answer is no. I have additional examples. How about $7,500 a month rent for an SUV in Iraq? How about Halliburton charging a dollar more for every gallon of gas, compared to what the Department of Defense could have obtained from its own supply office?

How about two guys who show up in Iraq having no money and very little experience and decide they are going to be contractors? They decide to bid on contracts, and they win one. Somebody delivers a suitcase full of $2 million in cash and they are off and running. They soon got over $100 million in contracts. Some of their employees became whistleblowers because they said what was going on was crooked. These people were taking forklift trucks off an airport they were supposed to secure, taking them to a warehouse and repainting them and selling them back. They sold them to the Coalition Provisional Authority. Who is that? The American taxpayer. The Justice Department says it won't join in a false claims action because defrauding the Coalition Provisional Authority in Iraq is not the same as defrauding the American taxpayers. It is unbelievable, the lengths to which some of these people will go to avoid looking truth in the eye.

There is massive waste, fraud, and abuse. Billions of dollars is being abused and wasted and nobody seems to give a whit about it. Senator DURBIN from Illinois introduced legislation, which I was happy to support, in the last Congress on this subject. I don't believe that got a hearing and certainly didn't get to the President's desk. My sense is that in any way we can, in every way we can, on behalf of the American taxpayer, we need to do this. It undermines our support for American soldiers if we don't have oversight. Do you think American soldiers want to be stuck in Iraq doing what their country asked them to do only to find out that those serving them meals are overbilling by 28,000 meals a day, or are double-charging for hauling gasoline in? This makes no sense. The minute you raise any of these things with the one party in this town, they say you are being totally partisan. Well, no, I think we are being a little bit like Harry Truman here. He had the guts to look truth in the eye and say when something going on is rotten, when the American taxpayers are being bilked, tax money is being pilfered, somebody ought to stand up and stop it.

I intend to offer this amendment in the morning. I am proud of the work my colleague has done as well. I have spoken longer than I intended. The Senator from Florida wishes to speak. Let me say that I will be back in the morning to offer this amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. NELSON of Florida. Mr. President, I ask unanimous consent that the pending amendment be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 37

Mr. NELSON of Florida. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Florida [Mr. NELSON] proposes an amendment numbered 37.

Mr. NELSON of Florida. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To exempt debtors from means testing if their financial problems were caused by identity theft)

At the appropriate place, insert the following:

SEC. ___. IDENTITY THEFT.

(a) DEFINITION.—Section 101 of title 11, United States Code, as amended by this Act, is further amended—

(1) by redesignating paragraph (27B) as paragraph (27D); and

(2) by inserting after paragraph (27A) the following:

''(27B) 'identity theft' means a fraud committed or attempted using the personally identifiable information of another person;

''(27C) 'identity theft victim' means a debtor who, as a result of an identify theft in any consecutive 12-month period during the 3-year period before the date on which a petition is filed under this title, had claims asserted against such debtor in excess of the least of—

''(A) $20,000;

''(B) 50 percent of all claims asserted against such debtor; or

''(C) 25 percent of the debtor's gross income for such 12-month period.''.

(b) PROHIBITION.—Section 707(b) of title 11, United States Code, as amended by section 102(a) of this Act, is further amended by adding at the end the following:

''(8)(A) No judge, United States trustee (or bankruptcy administrator, if any), trustee, or other party in interest may file a motion under paragraph (2) if the debtor is an identity theft victim.''.

Mr. NELSON of Florida. Mr. President, I want to make sure and will ask unanimous consent, if need be, that both Senators DURBIN and SCHUMER are listed as cosponsors of the amendment.

The PRESIDING OFFICER. They are currently listed as cosponsors.

Mr. NELSON of Florida. I thank the Chair.

Mr. President, as we debate the merits on this bankruptcy bill, I offer an amendment, and I believe it is critical to improving this piece of legislation. This amendment will create an exemption from the requirements of this bankruptcy bill for victims of identity theft. The long and short of the amendment is, if you have had your identity stolen and charges have been run up on you because your identity was stolen, and if that causes you to go into bankruptcy, then you are going to have an exemption from the provisions of this legislation that said you would not be able to file bankruptcy.

It is carefully tailored as an amendment. It would not apply to every single identity theft victim. Rather, it would require identity theft victims to show they were defrauded out of the minimum dollar amount.

There is an epidemic of identity theft that has plagued millions of Americans. There are 60 Senators in this Chamber who had Bank of America Government credit card information lost or stolen over the weekend. 1.2 million other Americans, including this Senator from Florida, had personal financial information that was lost or stolen. In my particular Senate office, two other of our senior staff members had sensitive financial account information that was compromised in this incident. The lost data tapes could have names, Social Security numbers, and addresses on them.

How long down the road before we find that our Social Security numbers and other personally identifiable privileged financial information come into the hands of the thief to be used in stealing our identity, and we suddenly start finding we have charges we never made.

This phenomenon of identity theft is happening. We saw it in a big case called ChoicePoint, an Atlanta, GA, company that had hundreds of thousands of records purloined as a result of someone disguised as a regular customer of that information broker, and instead their identities are now stolen. Mr. President, 10,000 of those 400,000 stolen we know are in the State of Florida—at least 10,000. This is a phenomenon that is continuing to occur.

Identity thieves typically take advantage of the electronic records to steal people's names, addresses, telephone numbers, Social Security numbers, bank account information, or other personal, financial, and medical data.

If you were a customer of something such as ChoicePoint, an information broker, not only do you have information, such as your credit, which is covered under existing law for protection, but you have a lot of other information in there, such as I mentioned, Social Security numbers and bank accounts. What about job applications, what about drivers' licenses, what about DNA tests, what about the records of all kinds of different medical tests?

This is the alarming theft that is occurring today, and it is not being done with the hammer and crowbar of a typical thief. It is being done by sophisticated methods as we are living in this technological age.

Listen to these alarming statistics. The Federal Trade Commission says 10 million Americans were affected by identity theft last year. Identity theft is now the most common fraud perpetrated on consumers. In 2004, identity theft accounted for 39 percent of consumer fraud complaints, the Federal Trade Commission tells us. And a figure that will blow your mind is that

identity theft cost the United States $52 billion last year.

Because identity thieves misuse people's personally identifiable information, some individuals are denied jobs, they are arrested for crimes they did not commit, or they face enormous debts that are not their own.

Last week, in Orlando, I met with six of those victims of identity theft. One of them was an elderly mother who was there with her daughter who, upon the passing of her husband of half a century, the daughter taking over all the financial records, and paying her mother's bills—her mother had always provided for the children's needs, so when the daughter started getting these credit card bills on the mom's credit card of $5,000 and $10,000, she paid them. It was not until a store owner in California, on the other side of the country from where this couple lives in Coca, FL, an alert store owner called and said: We want to make sure that you are willing to have this charge of $26,000 charged to your mother's credit card. Your mother is standing right here in the store in San Francisco to ring up this charge. The daughter, of course, replied: My mother is sitting right here with me in Florida. Obviously, someone is masquerading as my mother with a stolen identity.

The sad result is that even though that $26,000 charge was averted, the daughter had already paid what she thought were the legitimate debts of her mom to the tune of $40,000, and because of that stolen identity, she can never get that back.

What happens if that is a debt that would drive a person like that into bankruptcy? Should that be used against them to prevent them from being able to have bankruptcy? I do not think we want to do that in this legislation.

The law does not require creditors to automatically erase a person's debt arising from identity theft. Creditors sometimes refuse to erase these debts or they allow credit investigations to drag on for years. This leaves some identity theft victims with no choice but to file for bankruptcy.

Let me give some more examples.

Last year, a Pennsylvania woman was victimized by a brazen identity theft. This thief was actually renting a room in the lady's house. The identity thief stole her checks, her bank card, her personally identifiable financial information. Then the thief used that information to wipe out the lady financially. One month before Christmas, this woman was forced to file for bankruptcy relief. Shouldn't this bankruptcy reform bill cut people such as that some slack? I think that is the humane thing to do.

There is another example. It is in New York. An identity thief stole the personal information of a girlfriend, and then he ran up huge debts in the victim's name. Pretending to be the victim, the identity thief took out three personal loans and even purchased two automobiles. In total, the thief ran up a tab of over $300,000. The local postal inspector in the victim's area called it the worst case of identity theft they had ever seen. In that case, the victim had no choice but to file for bankruptcy.

Should not there be an exemption in a case like this? This is a very straightforward amendment. It states that people who have been victims of identity theft and have to file for bankruptcy because of that identity theft should get a break from the stringent means test in the bill. As identity theft becomes more prevalent—and it happened last week with the revelation of ChoicePoint, an information broker, 400,000 people. It could have happened Friday night after 5 when Bank of America released the information that 1.2 million Federal employees' identities had been stolen, including 60 Senators in this Chamber. As it becomes more prevalent, more innocent people are going to encounter this situation.

I think it is only right to be fair to those victims when they file bankruptcy and not to add insult to their injury.

The Consumer Federation of America has endorsed this amendment as being in the best interest of Americans. I urge my colleagues to support this amendment.

Mr. DURBIN. Will the Senator yield for a question?

Mr. NELSON of Florida. Of course, to the distinguished assistant Democratic leader, I yield.

Mr. DURBIN. I must be living under a dark cloud because I not only had my identity stolen several weeks ago, but I am also one of the 60 Senators who, like the Senator from Illinois, was a victim of this apparent theft of a computer tape of official business credit cards of the Senate which compromises our credit cards. In my situation 4 or 5 years ago, I received a phone call from a collection agency in my home in Illinois saying: DURBIN, we finally caught up with you. I do not know if you thought you could get by with this forever. We knew we would find you. You owe our company in Denver, CO, $2,000. I said: I have never been to your company's place in Denver, CO. I have never done business with you. It turned out to be someone using my name and my Social Security number, who had run up several thousand dollars in charges. It took several months to sort it out, but I was lucky. I sorted it out. There are some stories that have come to my office, and I am sure to the Senator's office as well, where it took years before they finally came to the bottom of it.

So I ask the Senator from Florida, for those people who were victims of identity theft, maybe a credit card where charges were run up out of sight, tell me exactly what the Senator's amendment will do to protect them in this new bankruptcy reform we are considering.

Mr. NELSON of Florida. I thank the Senator for his question. Yes, the Senator may well be one of the victims that was not announced until after work on Friday afternoon at 5, but we have identified that it is 60 Senators in this Chamber, along with 1.2 million Federal employees. We are talking about this credit card that is provided for official expenses of Government business, and all your personally identifiable information is on that file. So it may well be that a majority of this Senate finds they could become the victims and experience the similar kind of agony of the six people I just met with in Orlando, that it keeps going on and on and they cannot get their identity back.

I had one who was a truck driver with special permission to drive hazardous materials. His identity is stolen and there is somebody out there driving a truck of hazardous materials who has stolen his identity.

The Senator's specific question is: What does this amendment do? What it does is carve an exemption for the people who have debts that have driven them into bankruptcy because those debts have occurred through no fault of their own. Their identity has been stolen and someone has created a credit card that then runs up bills in their name, that they did not know about, they did not intend, nor could they afford, and as a result, because they cannot get it worked out—and I wish the Senator could hear these victims, how long it takes them to get their identity back—in a timely fashion, they have to file for bankruptcy.

My amendment says this is going to be an exception from all the rigors of the bill that say a person cannot file for bankruptcy.

Mr. DURBIN. If I could further ask the Senator from Florida, this bankruptcy reform is going to affect millions of Americans. About 1 million to 1½ million a year file for bankruptcy, and all of their members of their family, of course, are affected by the bankruptcy so these people filing for bankruptcy have reached a point where their bills are so large they have said: I cannot do it, it is far in excess of what I can ever pay off, and they go into bankruptcy court asking that they have their debts relieved. They give up most of their assets in life and their debts are then paid off partially, as much as they can, and they walk out of the bankruptcy court with a new day ahead of them. That has been the law for a long time.

This bill we are considering says, wait a minute, we may not let you walk out of the court with all of your debts behind you. You may walk out of

the court with some of the debts still on your shoulders that you have to keep paying. So if I understand the Senator's amendment, he is saying if the debts we are talking about were incurred not by the person filing bankruptcy but in their name because of identity theft, then for goodness sakes it should not be said at the end of the bankruptcy process that they still have to carry these debts which some criminal has incurred in their name.

Is that my understanding of what the Senator is trying to achieve?

Mr. NELSON of Florida. Indeed, the Senator has put his finger on the problem and the attempted solution to the problem, recognizing that we want to work with the banking industry and the credit card industry so this does not become a loophole that somebody can get out of following the law and be irresponsible about filing bankruptcy. We have even put it in the amendment that there has to be a threshold for the person who would have this exemption because of identity theft. For example, it would have to be a claim against the debtor in excess of $20,000, or 50 percent of all the claims asserted against the debtor, or 25 percent of the debtor's gross income for a 12-month period.

With that reasonable protection, so that somebody is not abusing the law, we come back to the basic issue of fairness.

Mr. DURBIN. If I could ask the Senator from Florida, yesterday we considered an amendment, which the Senator supported and cosponsored, which said take into consideration the members of the National Guard and Reserve who are being activated and sent overseas to Iraq and Afghanistan, risking their lives for America, that if they are gone for a year or more they may have an economic misfortune; maybe that small business they were running fails because they are gone serving their country. So we offered an amendment yesterday which said when it comes to that bankruptcy situation we should be more tolerant, more lenient and more sensitive to these men and women who have risked their lives serving America in the Armed Forces.

When we offered that amendment the Senator from Florida may recall that yesterday some 58 Senators voted against it, many of whom will be the first to welcome these guardsmen and reservists with open arms, thank you for your service to our country. Now Senator KENNEDY has an amendment pending which says, what about the category of Americans who have overwhelming medical bills because of a medical condition they never could have anticipated and they get trapped in bankruptcy? Can we take that into consideration and not hit them as hard as others and not take their homes away from them at the end of the day? Now the Senator comes in with another category, which I think is equally legitimate, of victims of identity theft.

If I understand the Senator from Florida, he is following in the same line of argument, and that is the bankruptcy court should not be blind to reality, to the reality of the guardsmen and reservists serving our country and paying a heavy price at home in terms of their personal finances. Nor should this bill be insensitive to a single mother raising children, diagnosed with breast cancer, who as a waitress with another job cannot pay off her medical bills, or in the Senator's case an elderly person whose identity was stolen and charges were run up beyond anything that she could handle.

It is my understanding that what you are saying is this law should be sensitive to the realities of people who are doing the right thing but are being victimized, either by medical illness or by identity theft. Is that the intention of the Senator?

Mr. NELSON of Florida. The Senator is correct. Indeed, this amendment is saying that under the circumstances, where a person, through no fault of their own, because they have been preyed upon by larceny, by a thief, and bills have been run up because their identity has been stolen, and that happens, tragic as it is, to cause them to go into bankruptcy, that they should be exempted the harsh means test provision of this bill and should be allowed to file Chapter 7 bankruptcy under those circumstances. The stolen identity is enough. The debts run up are enough. The harassment of trying to get your identity back is enough. Lord help them, then when they have to file bankruptcy, that ought to be enough. But to say that they cannot file Chapter 7 bankruptcy under this condition? What are we trying to do to our fellow Americans? This amendment perfects that glaring error and inconsistency.

I yield the floor.

Mr. DURBIN. Mr. President, I thank my colleague from Florida for his leadership on this issue. I am happy to join him as a cosponsor. I would like at this time to offer another amendment which I would like to describe.

AMENDMENT NO. 38

I ask the pending amendment be set aside, and I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. COBURN). Without objection, it is so ordered. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Illinois (Mr. DURBIN), proposes an amendment numbered 38.

Mr. DURBIN. I ask unanimous consent the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To discourage predatory lending practices)

SEC. 206. DISCOURAGING PREDATORY LENDING PRACTICES.

Section 502(b) of title 11, United States Code, is amended—

(1) in paragraph (8), by striking ''or'' at the end;

(2) in paragraph (9), by striking the period at the end and inserting ''; or''; and

(3) by adding at the end the following:

''(10) if the creditor has materially failed to comply with any applicable requirement under section 129(a) of the Truth in Lending Act (15 U.S.C. 1639(a)) or section 226.32 or 226.34 of Regulation Z (12 C.F.R. 226.32, 226.34), such claim is based on a secured debt.''.

Mr. DURBIN. Mr. President, there is hardly one of us who has not heard a story that goes as follows: An elderly widow is living in her family home. Her children have moved out. She is getting up in years, but she is happy in her home, exactly where she wants to be. As time goes on, life gets more complicated for her, and someone takes advantage of her. There is a knock on the door and someone says to her: I just took a look at your roof. You must realize it is in terrible condition, and luckily I do roofing. I will be happy to repair your roof. Or, if you put vinyl siding on this old house, you could save so much on your heating bill. Or, did you notice that your basement foundation is starting to crack? That could be dangerous, and luckily I do the work.

You hear the story over and over, that this person—I do not mean to pick on elderly widows; it could be a widower, too—says: Sure, that sounds good. You seem like a nice, bright young man. Why doesn't your company come in and fix my house.

They say: Great. Here is a little contract we would like you to sign to have the home improvements.

They look at it and they say: It is tough for me to read it. I am not a lawyer.

Trust me, it is a standard contract.

They sign on the dotted line.

You have heard this story. Maybe someone in your family has been through this. Then what happens. The work turns out to be shoddy. They do not do what they are supposed to do. The charges are outrageously high. Then you take a look at the contract, and it turns out the contract creates a lien on the property, perhaps another mortgage on the property, perhaps a balloon payment, maybe interest rates that go right through the roof for the unsuspecting person. There are finance companies behind these door-to-door con artists who write out these contracts and end up, when all is said and done, owning the home.

That is not an outrageous story I have told you. It is repeated over and over, day in and day out, in my home State of Illinois and around the country. That is why I am proposing this amendment. This is called predatory

lending. You know what a predator is: the animal that goes out trying to devour its prey. Predatory lenders do just that, too. This amendment is designed to penalize the growing number of high-cost predatory mortgage lenders who lead vulnerable borrowers down the path to foreclosure and bankruptcy. It is about balance, something this bankruptcy bill desperately needs.

If we are going to change the bankruptcy laws because too many people go to bankruptcy court, then we must also address predatory lending, which I have described, which is driving too many vulnerable Americans into bankruptcy court. If we are going to make the door to the bankruptcy court harder for consumers to open, then we must also make sure we are not protecting predatory creditors that force consumers to knock on that door.

There is no uniformly accepted definition of predatory lending. It is a lot like the old Supreme Court saying: I will know it when I see it. But high-pressure consumer finance companies have cheated unsophisticated and vulnerable consumers out of millions of dollars using a variety of abusive credit practices. Let me give examples of what they are: hidden and excessive fees and interest rates; lending without regard to the borrower's ability to pay; repeatedly refinancing a loan over a short period of time without any economic gain, known as loan flipping; committing outright fraud and deception, such as intentionally misleading borrowers about the terms of the loan.

Some automobile lenders in the used car industry have gouged consumers with interest rates as high as 50 percent with assessments for credit insurance, repair warranties, and hidden fees, adding thousands of dollars to the cost of an otherwise inexpensive used car. Pawn shops in some States have charged annual rates of interest of 240 percent or more. I could give you a lot more description of these predatory lending practices. Let me just tell you a few stories.

My colleagues who were listening to this debate know I have offered this before. They are likely to say: Here comes DURBIN again with the same old amendment. I am here again as I was in a previous Congress because this problem is still with us today. The last time I called up this amendment on debate on a bankruptcy bill we lost by one vote. This problem has only become worse since Congress defeated that amendment.

As predatory mortgage lending increases, it continues to target lower income women, minorities, and older Americans. In 1998, Senator GRASSLEY of Iowa, my friend and colleague and the author of the bankruptcy bill, held a hearing in the Senate Special Committee on Aging looking into predatory lending. At the hearing, this is what a former career employee of that industry had to say.

Listen to how he described his customers:

> My perfect customer would be an uneducated woman who is living on a fixed income, hopefully from her deceased husband's pension and Social Security, who has her house paid off, is living off credit cards but having a difficult time keeping up her payments, and who must make a car payment in addition to her credit card payments.

This witness acknowledged that unscrupulous lenders specifically market their loans to elderly widowed women, blue-collar workers, people who have not graduated with higher education, people on fixed incomes, non-English speaking, and people who have significant equity in their homes.

That statement was made in 1998, 7 years ago. Six years later, February 2004, the Special Committee on Aging held another hearing on the same subject. At this hearing, held just 1 year ago, this is what a witness from the Government Accountability Office said:

> Consistent observational and anecdotal evidence, along with limited data, indicates that for a variety of reasons, elderly homeowners are disproportionately the targets of predatory lending. Because older homeowners on average have more equity in their homes than younger homeowners, abusive lenders could be expected to target these borrowers and ''strip'' the equity from their homes. The financial losses older people can suffer as a result of abusive loan practices can result in the loss of independence and security, significant decline in the quality of life.

So has the problem of predatory lending gone away, as my opponents might argue? No, it has gotten worse.

What else has been going on since we first considered this in the Senate?

The AARP Litigation Foundation, which files lawsuits to help seniors, has been party to seven lawsuits since 1998 involving allegations of predatory lending against more than 50,000 elderly Americans. As of February 2004, six of their lawsuits have been settled, and one is still pending.

Minorities are still being targeted by these unscrupulous lenders as well.

According to the Center for Responsible Lending, Hispanic Americans are two and a half times more likely than whites to receive a refinancing loan from one of these lenders. African Americans are more than four times more likely to be targeted.

Let me share a credible article from the Los Angeles Times of February 2004 by Ameriquest, one of the largest subprime lenders. The article includes a story about how they tricked a minority, Sara Landa, from East Palo Alto, CA. She speaks Spanish and limited English.

She entered into a settlement with one of these companies, Ameriquest. After that, it was alleged that Ameriquest employees tricked her into signing a mortgage that required her to pay almost $2,500 a month, far more than her income from cleaning houses. All the negotiations were in Spanish. All the loan documents were in English. The only thing she ever received from Ameriquest in Spanish was a foreclosure notice. It is amazing.

In this same article, you will find statements from many ex-employees of this company, Ameriquest, asserting that while they worked for this company they were engaged in improper and predatory practices.

Mark Bomchill, a former Ameriquest employee, said he left his job because he didn't like the way Ameriquest treated people. He said that the drive to close deals and grab six-figure salaries led many of his fellow employees astray. Listen to what he said. He said:

> They forged documents, hyped customer's credit worthiness and ''juiced'' mortgages with hidden rates and fees.

Two other former employees said borrowers were often solicited to refinance loans that were not even 2 years old. This happened even though Ameriquest pledged in 2000 not to resolicit customers for at least 2 years. They completely ignored that pledge.

Nearly one in nine mortgages made by Ameriquest last year was a refinance on an existing loan less than 2 years old. The abuses don't end there.

Former Kansas City Ameriquest employees described another predatory practice by the same company where they would fabricate borrowers' incomes and falsify appraisals.

Lisa Taylor, a former loan agent from Sacramento, said she witnessed documents being altered as she walked around the vending machine that people were using as a tracing board, copying borrowers' signatures on an unsigned piece of paper.

If you think these are isolated examples, exaggerated stories, let me refer you to a 2004 GAO study that found that this is a prevalent problem in the subprime mortgage industry—this predatory lending. They found plenty of indications that predatory mortgage lending was a major and growing problem in the year 2004.

According to the 2004 study, in the past 5 years, there have been a number of major settlements resulting from government enforcement acts. I will mention a few.

Household International agreed to pay up to $484 million to homeowners across America to settle allegations by States that it used unfair and deceptive lending practices.

In September 2002, Citigroup agreed to pay $240 million to resolve FTC and private party charges that Associates First Capital Corporation engaged in systematic and widespread abusive lending practices.

In March 2000, First Alliance Mortgage Company settled with the Federal Trade Commission, six States, and the AARP to compensate borrowers more than $60 million because of their deceptive practices to lure senior citizens.

An estimated 28 percent of the 8,700 borrowers in that suit were elderly.

These are documented. While some victims of predatory lending are lucky enough to receive compensation because of these lawsuits, many more have fallen to predatory lenders, and they never can turn to our legal system for help.

Here is an astonishing statistic. Mr. President, 1 in 100 conventional loans ends in foreclosure, but 1 in 12 subprime predatory loans ends in foreclosure. While it might be expected, these loans, because they are made with less creditworthy borrowers, would result in an increased rate of foreclosure, but the magnitude of the differences tells us that there is more at stake here than just the creditworthiness of the borrower.

The Senate Banking Committee held a hearing in July 2001. At that hearing, a report from the Center for Responsible Lending was released which showed the predatory lending practices cost American borrowers an estimated $9.1 billion annually.

Let me tell you why I am offering this amendment. Imagine, if you will, that it is your mother, father, grandmother, or grandfather alone in their home, and they signed this home improvement loan or signed this refinancing, which you learn about months later. You say: Grandma, you didn't tell me that you had somebody come in and do some work, and you didn't tell me you signed these papers. Did anybody read them?

No. He seemed like such a nice man, and he told me it was a standard form.

And you take it over to your family attorney. He says: My goodness. What your grandmother signed here is a remortgage of the property. She owned the home, and now, by buying vinyl siding, she has remortgaged her property and promised to pay back just a few hundred dollars a month to start with, but in a matter of a year or two, it explodes. The balloon pops, and it turns into a $2,000-a-month payment.

How is she going to pay it? Let us assume the worst circumstance—she doesn't pay. The mortgage is foreclosed on. She is about to lose her home, and she files for bankruptcy. She has nothing left on this Earth except a Social Security check, maybe a little pension check, some savings, or meager savings. She goes into bankruptcy court to try to get out from under this burden. Guess who shows up at the bankruptcy court. The same predatory lender shows up saying: We own whatever she owns. She signed this mortgage.

Is it fair? Is it fair for somebody to take in a legal document, a predatory mortgage, that takes advantage of elderly people, and then be protected in the bankruptcy court? I don't think so.

If we are going to hold people coming into bankruptcy court who file for bankruptcy to the high moral standard of paying back their debts, should we not hold the creditors walking into bankruptcy court to a similar high moral standard that they must have followed the law, that they must have engaged in this highly regulated, moral conduct?

The amendment I am offering prohibits a high-cost mortgage lender from collecting on its claim in bankruptcy court if the lender extends credit in violation of existing law—the Home Ownership and Equity Protection Act of 1994, which is part of the Truth in Lending Act.

I am not reinventing the law. I am just saying when you issued this mortgage, you violated the law. You took advantage of a person by violating the law. You cannot then go in court and say protect me with the law. You can't have it both ways. If you broke the law to incur this debt, you can't go in court and ask for the law to protect you to collect the debt.

That seems to me to be just. If you were legal in the way you treated this person, then you can use the law in enforcing your debt. If you were illegal in the way you treated this person, you can't go into court and use the law to collect on that illegally based debt. That is simple.

When an individual falls prey to lenders and files for bankruptcy seeking last resort help, the claim of the predatory lender will not be allowed against a debtor. If the lender failed to comply with the requirements of the Truth in Lending Act for high-cost mortgages, the lender has no claim in bankruptcy court. The law has long recognized the doctrine of unclean hands where a party to an illegal agreement is not able to recover damages from other parties to such an agreement because the claimant itself was the party to an illegality.

My amendment is not aimed at all subprime lenders. The amendment will have no impact whatever on honest lenders who make loans that followed the law even if the loans carry high interest rates or high fees. Instead, it is directed solely at the bottom feeders, the scumbags, the predator lenders. My amendment reinforces current law and will help ensure that predatory lenders do not have a second chance to victimize their customers by seeking repayment in a bankruptcy proceeding.

Second, this amendment is not aimed at technical violations of the Truth In Lending Act. The violations must be material. I specifically made that change in my language to address some of the concerns raised in the first debate.

Third, the amendment does not amend the Truth In Lending Act. There is no question as to whether the Senate Banking Committee has any jurisdiction. We do not change the Truth In Lending Act. I point out the bankruptcy bill does amend that act in some parts. My amendment absolutely does not.

Some may argue the amendment is unnecessary because current law is sufficient. I disagree. I recognize Congress has passed numerous laws that Federal agents and regulators have used to combat predator lending, but predatory lending is on the rise. Many Americans are being cheated and duped by these unscrupulous business people.

President Bush has attempted to promote home ownership as part of the vision of an ownership society. I applaud him. For my wife and me, the first time we purchased a home was a turning point in our lives. We started to look at the world a lot differently. This was our home, on our block, in our neighborhood, in our town. It is an important part of everybody's life. I support that. But unless we rein in the abusive behavior of some in the lending industry, we will be promoting not an American dream, but an American nightmare for thousands of homeowners.

Let me say one more word. The last time I offered this amendment, the most stunning thing I learned was that the major financial institutions in America, the big boys, the blue chips, the best in the industry, oppose my amendment. You think, wait a minute, why would the best financial institutions in America oppose an amendment to stop people from cheating and violating the law in issuing mortgages? I never quite understood. Maybe their logic is this: If we let this amendment in where some of the worst lenders are held to the standard, then maybe the Government will take a closer look at us, too, so let's be opposed to all amendments. Let's try to protect everybody in the industry even if what they are doing is fundamentally unfair and even illegal. That is the best argument I can come up with.

I urge those in the financial industry who may be following this debate and desperately trying to see this bill pass, please be honest about this. Do you want to protect the subprime lenders, these predatory lenders who are engaged in the worst practices in your business? Why in the world would you want them to stay in business? Why would you want to protect them in court when they give lending a bad name, which is your business?

There are an awful lot of examples I can give. Let me mention a few cases before I close. Alonzo Hardaway owned a home in Pennsylvania for 28 years, raised his family there, went through a divorce there, his parents died there, but he no longer lives there. As of summer, he was living in a homeless shelter. Why? Because in 1999 a home remodeler and subprime lender convinced Mr. Hardaway to take a home equity loan for $35,000 at 13-percent interest to redo his kitchen windows and doors. When this 56-year-old man's trash

hauling business faltered, he defaulted on his loan, his home was sold at a sheriff's sale and he was evicted in March of 2004. The loan is with The Associates, a large subprime lender later bought by Citigroup, which 2 years ago paid $215 million in fines for unscrupulous lending. That was documented in the Pittsburgh Post-Gazette.

There are many other examples. I mention one or two of particular interest. Here is one of a victim of appraisal fraud known as ''house flipping.'' Ms. Wragg, a retired school aide, found the home of her dreams in a little neighborhood in Brooklyn. It was a classic brick house with a porch, a backyard. She had not originally set out to be an owner, but her eyes drifted to an advertisement offering the home of her dreams. She began her journey.

Now, 2 years later, she said that journey has turned into a nightmare. Her life savings has been depleted by a house she could never afford. The house was appraised at far more than it was worth and Ms. Wragg was given two mortgages she would never have qualified for, carrying costs more than double her income. She blames the mortgage company, the appraiser, the lawyer who represented her, and United Homes, LLC, of Briarwood, Queens, the company that owned the home, placed the ad, and arranged almost everything about closing. This is what she said: I trusted them, because I had never done this before and I didn't know any better.

These cases go on and on. I will not read them into the RECORD. There is one in your community, in your State. Maybe it happened in your family. You have read about them. You have seen them on television. And I am sure you wondered, Who is going to stop this abuse and exploitation? We only stop it when we tell these companies we will not protect you in bankruptcy court. You cannot take away the home of someone if you have engaged in illegal practices in issuing your mortgage.

When we consider the amendments before the Senate on this bankruptcy bill, I hope we will not only hold those walking in the bankruptcy court seeking relief from their debts to high standards of moral conduct, we will also hold the creditors who are seeking repayment of debts to the same conduct, perhaps just legal conduct, which is the only standard I have included in my amendment.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. COBURN). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. FRIST. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FRIST. Mr. President, I ask unanimous consent that at 4:55 today, the Senate proceed to vote in relation to the following amendments: Kennedy No. 28, Kennedy No. 29, and Corzine No. 32; provided further that prior to the first vote there be 10 minutes equally divided for debate, and that there be 2 minutes equally divided for debate prior to the second and third vote. I further ask consent that no second-degree amendments be in order to the above amendments prior to the vote.

The PRESIDING OFFICER. Is there objection?

Mr. REID. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Massachusetts.

AMENDMENTS NOS. 28 AND 29

Mr. KENNEDY. Mr. President, I yield myself 4 minutes.

Mr. President, in America, we believe that if you work hard, meet your family responsibilities, then you should be able to provide for your family. You should be able to afford a decent home for your family in a safe neighborhood. You should be able to send your children to college so they can enjoy lives of opportunity and happiness. You should be able to save for a comfortable retirement after years of disciplined saving and careful planning. That is the American dream. It is a dream of opportunity, of fairness, of infinite hope for the future.

But in recent times, average Americans have had to work harder and harder to fulfill their hopes and dreams. In just the past 4 years, housing prices are up 33 percent, college tuition is up 35 percent, and health care costs are up 59 percent. Families are counting their pennies. And now this Republican Congress wants to make it even harder with this bankruptcy bill.

Corporate CEOs can force their companies into bankruptcy and enrich themselves, but they are not held accountable. This bill ignores their irresponsible actions. But an average American facing cancer can lose everything under this bill: their home, their savings, their hopes, their dreams. They get no second chance.

One day, you are doing well. You have done all the right things. Your family is healthy and happy. And the next day, you discover that you have cancer, and even though you have health insurance, you are left with $35,000 in medical bills. You cash in your savings. You sell your second car. You sell your mother's wedding ring. You take out a second mortgage on your home. But it still is not enough. Half the Americans in bankruptcy face this exact situation. Their illness was bad enough, but now their medical bills are destroying their lives, and this bill adds further injury to their pain.

CEOs can get away with it. They are not held responsible for their companies' bankruptcies. Look at Enron, WorldCom, and Polaroid. But this bill requires average citizens to pay and pay and pay and pay, even when you do not have a dime to your name. And who is first in line to get your money? The credit card companies. They do not care if you are sick. They demand your money—with interest.

My amendments would give those facing illness a real second chance. One amendment says, if you are sick, you do not have to lose your home. It says that if illness forces you into bankruptcy, at least $150,000 of equity that you have built up in your home is yours—no matter what. Fat cats who go into bankruptcy do not lose their mansions. They can build palaces in Florida and Texas, and the bankruptcy courts cannot touch them. So my amendment says, if you get sick, you should at least get some protection for your home, too.

My other amendment says that if your medical bills force you into bankruptcy and they exceed 25 percent of your income, you are not subject to this bill's harsh provisions. You are not penalized under its so-called means test, which would require you to keep paying down on your bills even when you cannot afford it.

Let's give our fellow Americans a chance. They will do their part to rebuild their lives. We should help them, not hurt them.

I urge my colleagues to support these amendments.

I withhold the remainder of my time.

Mrs. CLINTON. Mr. President, I rise to encourage my colleagues to support two amendments that seek to provide some protections to families who face the devastation of medical bankruptcy.

I thank Senator KENNEDY for offering these amendments that I am proud to be a cosponsor of. The first would exempt from the means test debtors whose severe medical expenses have caused their financial hardship and forced them to file for bankruptcy, and the second would provide a homestead exemption to medically distressed debtors of $150,000 in equity in their primary residence.

These amendments are critical and will help ensure that families do not have to declare bankruptcy and lose their homes just because they get sick.

Medical bankruptcy has skyrocketed in recent decades. In 1981, only 8 percent of personal bankruptcy filings were due to a serious medical problem. In contrast, a recent study by researchers from Harvard Law School and Harvard Medical School found that half of personal bankruptcies filed in this country are now due to medical expenses. And what is most astonishing about this is that three-quarters of the medically-bankrupt had health insurance at the onset of their illness.

This means that each year, 2 million families endure the double disaster of illness and bankruptcy. In my State of New York, more than 38,000 of the almost 77,000 personal bankruptcies in

2004 were caused by medical expenses, impacting more than 100,000 New Yorkers.

On average, those bankrupted by medical expenses are middle-class Americans with children who owned their own homes, held jobs, and have completed some college education. Medical debtors are typical Americans who got sick. Their out-of-pocket costs, starting from the onset of illness, averaged almost $12,000, and in the year leading up to bankruptcy their out-of-pocket expenses averaged more than $3,500.

These are families who desperately tried to avoid bankruptcy: more than 20 percent reported going without food; more than 30 percent had a utility shut off, more than 50 percent reported skipping needed doctor visits; and more than 40 percent failed to fill prescriptions in the 2 years leading up to their A bankruptcy filing.

The Harvard study also found that those driven into bankruptcy by medical expenses differ in an important way from other filers: they were more likely to have experienced a lapse in health coverage leading up to their bankruptcy filing. In fact, a lapse in health coverage at some point in the 2 years before filing was a strong predictor of bankruptcy, with almost 40 percent of medical debtors experiencing a lapse in coverage, compared to 27 percent of other filers.

For those bankrupt by medical costs, illness caused financial hardship not just because of medical expenses, but also because the illness forced them to work less or lose their employment entirely. In fact, 35 percent had to work less because of illness, and in many cases to care for someone else. And it is likely reduced work and even the loss of a job because of medical problems that resulted in a lapse in healthcare coverage.

It's easy to see how the face of medical bankruptcy is the typical American worker. An unexpected illness or accident leaves you unable to work or unable to maintain your job full-time, which in turn leaves you with less income to pay your medical expenses. Over time your access to care is diminished because you can't afford the cost-sharing, are not seeking needed care to avoid expenses, or have lost coverage because of reduced work hours or job loss, and ultimately your health insurance coverage lapses. Now you have no assistance with medical expenses and little or no income to pay the bills. It's a vicious cycle. And all because you or a member of your family got sick.

Unfortunately, rapidly rising health care costs will only exacerbate this problem going forward. The number of Americans spending more than a quarter of their income on medical costs climbed from 11.6 million in 2000 to 14.3 million in 2004. And the pressure on employers to reduce benefits and increase cost-sharing as a result of rising health costs is no less.

The solution to this problem is not to punish hard working men and women who on a different day, with different luck, wouldn't be just a typical American who got sick. These Americans are already confronting difficulties because of circumstances beyond their control. Let's not make their situations even worse. We need to adopt these amendments and begin the hard work of addressing the causes of medical bankruptcy and the serious problems that face this nation's health care system.

Again, I thank Senator KENNEDY for his work on these amendments and urge their adoption.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, how much time do I have?

The PRESIDING OFFICER. There is 1 minute 11 seconds.

Mr. KENNEDY. How much time is there for the other side?

The PRESIDING OFFICER. Five minutes 30 seconds.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the time of the quorum call be charged to the other side.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. SESSIONS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 32

Mr. SESSIONS. Mr. President, how much time is left on this side?

The PRESIDING OFFICER. There is 2 minutes 38 seconds.

Mr. SESSIONS. I would like to comment on Senator CORZINE's amendment No. 32 to exempt ''economically distressed caregivers'' from the means test. I remind all of my colleagues that people who are economically distressed and have incomes below the median income already will be exempt from the means test. Secondly, I point out that page 10 of the bill is explicit that expenses people incur for the care and support of an elderly, chronically ill or disabled member of their household or family is subtracted from their income, even if they have very high income. This means that the bankruptcy bill we have drafted will still allow people who take care of their sick and aging family members to file for bankruptcy under chapter 7, the chapter that allows you to completely wipe out all your debts.

Let me read directly from page 10 of the statute. In other words, the amendment is covered by the legislation. It came up in committee. We talked about it, and it was adopted. When we talk about monthly expenses, you are trying to determine if your income level exceeds median income level and whether you can afford to pay anything back if you owe some of your debts and you have a higher income. So it reads:

> In addition, the debtor's monthly expenses may include, if applicable, the continuation of actual expenses paid by the debtor that are reasonable and necessary for the care and support of an elderly, chronically ill, or disabled household member or member of debtor's immediate family (including parents, grandparents, siblings, children, and grandchildren of debtor, the dependents of the debtor, and the spouse of the debtor in a joint case who is not a dependent) and who is unable to pay such reasonable and necessary expenses.

So we have dealt with that. We tried to consider these things and be reasonable as we calculated this. There was a concern expressed in committee that people might not be able to pay back any of the money because they have debts as a caregiver. That is taken care of already in the statute.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I yield my remaining time to the Senator from New Jersey.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. CORZINE. May I inquire how much time is available?

The PRESIDING OFFICER. There is 58 seconds available.

Mr. CORZINE. Let me start by saying, I don't understand why we are trying to solve a problem on large swathes of our society in the case of the economically distressed caregivers—there were 44.125 million in bankruptcy last year—why we think 5 percent of the population or 10 percent of the population, of those that are using the bankruptcy laws need to have a whole adjustment in how we approach putting people into bankruptcy to take care of a small percentage of individuals, when in fact including the consideration of deductions of expenses that would go under chapter 13, why we don't want to encourage families to take care of their individuals. I hope my colleagues will support the Corzine amendment which takes care of economically distressed caregivers.

AMENDMENT NO. 28

The PRESIDING OFFICER. The question is on agreeing to amendment No. 28.

Mr. REID. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The clerk will call the roll.

Mr. MCCONNELL. The following Senator was necessarily absent: the Senator from Pennsylvania (Mr. SANTORUM).

Mr. DURBIN. I announce that the Senator from Connecticut (Mr. DODD) and the Senator from Hawaii (Mr. INOUYE) are neccessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 39, nays 58, as follows:

[Rollcall Vote No. 16 Leg.]

YEAS—39

Akaka	Feingold	Mikulski
Baucus	Feinstein	Murray
Bayh	Harkin	Nelson (FL)
Bingaman	Jeffords	Obama
Boxer	Kennedy	Pryor
Byrd	Kerry	Reed
Cantwell	Kohl	Reid
Clinton	Landrieu	Rockefeller
Conrad	Lautenberg	Salazar
Corzine	Leahy	Sarbanes
Dayton	Levin	Schumer
Dorgan	Lieberman	Stabenow
Durbin	Lincoln	Wyden

NAYS—58

Alexander	DeMint	McCain
Allard	DeWine	McConnell
Allen	Dole	Murkowski
Bennett	Domenici	Nelson (NE)
Biden	Ensign	Roberts
Bond	Enzi	Sessions
Brownback	Frist	Shelby
Bunning	Graham	Smith
Burns	Grassley	Snowe
Burr	Gregg	Specter
Carper	Hagel	Stevens
Chafee	Hatch	Sununu
Chambliss	Hutchison	Talent
Coburn	Inhofe	Thomas
Cochran	Isakson	Thune
Coleman	Johnson	Vitter
Collins	Kyl	Voinovich
Cornyn	Lott	Warner
Craig	Lugar	
Crapo	Martinez	

NOT VOTING—3

Dodd	Inouye	Santorum

The amendment (No. 28) was rejected.

VISIT TO THE SENATE BY MEMBERS OF THE COMMITTEE ON AGRICULTURE OF THE CANADIAN GOVERNMENT

The PRESIDING OFFICER. The Senator from Montana.

Mr. BURNS. Mr. President, I ask unanimous consent that I be allowed to introduce Members of the Parliament from Canada and that we proceed as in morning business for those introductions.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BURNS. Mr. President, I present the Honorable David Tkachuk, Senator Joyce Fairbairn, and Senator Lan Gustafson, who are Members of the Senate in Canada and members of the Senate Agricultural Committee. Welcome.

(Applause.)

Mr. BURNS. I yield the floor.

AMENDMENT NO. 29

The PRESIDING OFFICER. There will now be 2 minutes of debate equally divided on Kennedy amendment No. 29.

The majority leader is recognized.

Mr. FRIST. Mr. President, I ask unanimous consent that the remaining votes of this sequence be limited to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FRIST. Mr. President, for the information of our colleagues, we do have two more votes. I cannot yet announce about votes later tonight, but we will do it shortly after the second vote. We would like to continue business, but as soon as we finish that second vote we will be making an announcement as to the future plans tonight. There are two stacked votes.

Tomorrow morning, in all likelihood, we will have debate, and then late in the morning we will have some stacked votes as well. Again, I will say more about that tonight.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, in this bankruptcy bill, in several States there are the protections for homesteads of multimillion dollar homes. All this amendment says is that if one has severe medical problems that are going to drive one into bankruptcy, they will be able to have a protection for up to $150,000 in home equity. We know that approximately 50 percent of the total bankruptcies are medically related, and what we are saying is that in those cases where we have the high costs of health care, because of cancer or the sickness of a child, we will carve out a homestead for $150,000 and protect that homestead. That is what this amendment does. We have the protections for much larger homesteads in a number of States. Let us protect our families.

The PRESIDING OFFICER. Who yields time? The Senator from Alabama.

Mr. SESSIONS. Mr. President, there is a great deal of misinformation out about the impact of health care expenses on bankruptcy. Let me just say what the Department of Justice, U.S. Trustee Program, has found by examining 5,000 petitions, where you state exactly what the debts are, that 54 percent of the bankruptcies do not mention health care at all. They say, of the ones that mention health care, only 10 percent show it over $5,000. And of the total debts shown on those forms, only 5 percent represent health care debts. That is No. 1.

No. 2, this bill absolutely protects people and allows them to bankrupt and wipe out their medical debts. If you are below median income, all of it is wiped out. If you are above median income, you may have to pay back some of it. But I say, why should you not pay your hospital if you can? I ask that we vote no.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. KENNEDY. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The clerk will call the roll.

The bill clerk called the roll.

Mr. MCCONNELL. The following Senator was necessarily absent: the Senator from Pennsylvania (Mr. SANTORUM).

Mr. DURBIN. I announce that the Senator from Delaware (Mr. BIDEN) and the Senator from Hawaii (Mr. INOUYE) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 39, nays 58, as follows:

[Rollcall Vote No. 17 Leg.]

YEAS—39

Akaka	Feingold	Mikulski
Baucus	Feinstein	Murray
Bayh	Harkin	Nelson (FL)
Boxer	Jeffords	Obama
Byrd	Kennedy	Pryor
Cantwell	Kerry	Reed
Clinton	Kohl	Reid
Conrad	Landrieu	Rockefeller
Corzine	Lautenberg	Salazar
Dayton	Leahy	Sarbanes
Dodd	Levin	Schumer
Dorgan	Lieberman	Stabenow
Durbin	Lincoln	Wyden

NAYS—58

Alexander	DeMint	McCain
Allard	DeWine	McConnell
Allen	Dole	Murkowski
Bennett	Domenici	Nelson (NE)
Bingaman	Ensign	Roberts
Bond	Enzi	Sessions
Brownback	Frist	Shelby
Bunning	Graham	Smith
Burns	Grassley	Snowe
Burr	Gregg	Specter
Carper	Hagel	Stevens
Chafee	Hatch	Sununu
Chambliss	Hutchison	Talent
Coburn	Inhofe	Thomas
Cochran	Isakson	Thune
Coleman	Johnson	Vitter
Collins	Kyl	Voinovich
Cornyn	Lott	Warner
Craig	Lugar	
Crapo	Martinez	

NOT VOTING—3

Biden	Inouye	Santorum

The amendment (No. 29) was rejected.

Mr. BOND. I move to reconsider the vote.

Mr. CRAIG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 32

The PRESIDING OFFICER. There will now be 2 minutes of debate equally divided on the Corzine amendment numbered 32.

Who yields time?

Mr. SESSIONS. Mr. President, this is an amendment that is unjustified, incredibly unjustified. It basically says if you take off one month from work to take care of a family member in need, you can never be put in chapter 13 and

pay back some of your debts, even if your income is $500,000 a year.

I think Senator LEAHY offered the amendment in committee. On page 10 it says:

(II) In addition, the debtor's monthly expenses may include, if applicable, the continuation of actual expenses paid by the debtor that are reasonable and necessary for care and support of an elderly, chronically ill, or disabled household member or member of the debtor's immediate family (including parents, grandparents, siblings, children and grandchildren of the debtor, the dependents of the debtor, the spouse . . .

And so forth. It is provided for in the bill. This amendment will give an absolute exemption no matter what the person's income is. It absolutely should be voted down.

Mr. CORZINE. This amendment deals with the economically distressed caregivers. There are 44 million of those in America. Mr. President, $257 billion is saved each year by family caregiving. If we value families, we ought to protect them under the harsh changes we are implementing here. I hope people will say we want to reward that. There are 125,000 bankruptcies a year from distressed caregiving. This is one where family values and all of the things that people claim they care about are represented. This ought to be carved out from the bankruptcy reform. I hope my colleagues will support this.

I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. FRIST. Mr. President, for the information of our colleagues, this will be the last rollcall vote tonight. We will continue debate tonight on amendments. We will plan on stacking votes on those amendments—not first thing in the morning but late morning or very early afternoon.

Mr. REID. Mr. President, I hope people on our side, if they have amendments to offer, will offer the amendments tonight. If they are bankruptcy-related amendments, we would like to have them tonight.

The PRESIDING OFFICER. The question is on agreeing to the amendment. The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. MCCONNELL. The following Senator was necessarily absent: the Senator from Pennsylvania (Mr. SANTORUM).

Mr. DURBIN. I announce that the Senator from Delaware (Mr. BIDEN) and the Senator from Hawaii (Mr. INOUYE) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote.

The result was announced—yeas 37, nays 60, as follows:

[Rollcall Vote No. 18 Leg.]

YEAS—37

Akaka	Feinstein	Nelson (FL)
Bayh	Harkin	Obama
Boxer	Kennedy	Pryor
Byrd	Kerry	Reed
Cantwell	Kohl	Reid
Clinton	Landrieu	Rockefeller
Conrad	Lautenberg	Salazar
Corzine	Leahy	Sarbanes
Dayton	Levin	Schumer
Dodd	Lieberman	Stabenow
Dorgan	Lincoln	Wyden
Durbin	Mikulski	
Feingold	Murray	

NAYS—60

Alexander	Crapo	Lugar
Allard	DeMint	Martinez
Allen	DeWine	McCain
Baucus	Dole	McConnell
Bennett	Domenici	Murkowski
Bingaman	Ensign	Nelson (NE)
Bond	Enzi	Roberts
Brownback	Frist	Sessions
Bunning	Graham	Shelby
Burns	Grassley	Smith
Burr	Gregg	Snowe
Carper	Hagel	Specter
Chafee	Hatch	Stevens
Chambliss	Hutchison	Sununu
Coburn	Inhofe	Talent
Cochran	Isakson	Thomas
Coleman	Jeffords	Thune
Collins	Johnson	Vitter
Cornyn	Kyl	Voinovich
Craig	Lott	Warner

NOT VOTING—3

Biden	Inouye	Santorum

The amendment (No. 32) was rejected.

AMENDMENT NO. 24

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROCKEFELLER. Mr. President, I ask unanimous consent to set aside the pending amendments and call up my amendment No. 24.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The bill clerk read as follows:

The Senator from West Virginia [Mr. ROCKEFELLER], for himself and Mr. LEAHY, proposes an amendment numbered 24.

Mr. ROCKEFELLER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To amend the wage priority provision and to amend the payment of insurance benefits to retirees)

Beginning on page 498, strike line 20 and all that follows through page 499, line 2, and insert the following:

SEC. 1401. EMPLOYEE WAGE AND BENEFIT PRIORITIES.

Section 507(a) of title 11, United States Code, as amended by section 212, is amended—

(1) in paragraph (4)—

(A) by striking ''within 90 days''; and

(B) by striking ''but only to the extent'' and all that follows through'' each individual or corporation'' and inserting ''but only to the extent of $15,000 for each individual or corporation''; and

(2) in paragraph (5)(B)(i), by striking ''multiplied by'' and all that follows through ''; less'' and inserting ''multiplied by $15,000; less''.

SEC. 1401A. PAYMENT OF INSURANCE BENEFITS OF RETIREES.

(a) IN GENERAL.—Section 1114(j) of title 11, United States Code, is amended to read as follows:

''(j)(1) No claim for retiree benefits shall be limited by section 502(b)(7).

''(2)(A) Each retiree whose benefits are modified pursuant to subsection (e)(l) or (g) shall have a claim in an amount equal to the value of the benefits lost as a result of such modification. Such claim shall be reduced by the amount paid by the debtor under subparagraph (B).

''(B)(i) In accordance with section 1129(a)(13)(B), the debtor shall pay the retiree with a claim under subparagraph (A) an amount equal to the cost of 18 months of premiums on behalf of the retiree and the dependents of the retiree under section 602(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1162(3)), which amount shall not exceed the amount of the claim under subparagraph (A).

''(ii) If a retiree under clause (i) is not eligible for continuation coverage (as defined in section 602 of the Employee Retirement Income Security Act of 1974), the Secretary of Labor shall determine the amount to be paid by the debtor to the retiree based on the 18-month cost of a comparable health insurance plan.

''(C) Any amount of the claim under subparagraph (A) that is not paid under subparagraph (B) shall be a general unsecured claim.'' .

(b) CONFIRMATION OF PLAN.—Section 1129(a)(13) of title 11, United States Code, is amended to read as follows:

''(13) The plan provides—

''(A) for the continuation after its effective date of the payment of all retiree benefits (as defined in section 1114), at the level established pursuant to subsection (e)(I) or (g) of section 1114, at any time before the confirmation of the plan, for the duration of the period the debtor has obligated itself to provide such benefits; and

''(B) that the holder of a claim under section 1114(j)(2)(A) shall receive from the debtor, on the effective date of the plan, cash equal to the amount calculated under section 1114(j)(2) (B).''.

(c) RULEMAKING.—The Secretary of Labor shall promulgate rules and regulations to carry out the amendments made by this section.

Mr. ROCKEFELLER. Mr. President, over the last years, as the economy came down from the highs of the 1990s, we have seen devastating corporate bankruptcies and how they can affect workers and their families. I have seen that in my State, and we have all seen that in our States. From the enormous Enron bankruptcy at the end of 2001 to the bankruptcies in my State, Ohio, and Pennsylvania, of Wheeling-Pitt, Weirton Steel, Horizon Natural Resources, and involving also Kentucky, every bankruptcy has brought heartache for workers who had dedicated themselves to employers, many of them for many years.

In many cases, employees and retirees have very limited ability under bankruptcy to recover their wages, to recover their severance or any benefits they are due when companies seek protection from their creditors. Workers deserve better. And as we debate

changes to our Nation's bankruptcy laws, Congress must address, in this Senator's judgment, these injustices.

Today I am offering an amendment to strengthen the rights of workers and retirees in bankruptcy. I am very pleased that Senator LEAHY, the distinguished ranking Democrat on the Senate Judiciary Committee, is an original cosponsor of this amendment.

I ask unanimous consent to add Senators DAYTON and OBAMA as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROCKEFELLER. Specifically, the amendment will do two things. First, it would allow employees to recover more of the back pay or other compensation that is owed to them at the time of the bankruptcy.

Second, it will ensure that retirees whose promised health insurance is taken away receive at least some compensation for their lost benefits.

In the simplest terms, employees sell their labor to companies. They toil away in offices and plants and factories and mills and mines because they are promised that at the end of the day they will receive a certain compensation. Many workers then have a difficult time recovering what is owed to them by their employer when their company, as so often happens these days, files for bankruptcy.

Under current law, employees are entitled to a priority claim of up to $4,925. That is it. The legislation we are debating would increase that claim to $10,000, which is better. But even that figure is usually not enough to cover the back wages, vacation time, severance pay, or payment benefits the employees are owed for work done prior to the bankruptcy. Congress needs to update the amount of the priority claim to ensure that more workers are able to receive what is rightfully theirs. My amendment, thereby, would increase the priority claim to $15,000. So we are basically going from $5,000 to $15,000.

My amendment would also eliminate the accrual time period for calculation of priority claims. In too many cases, employees are not able to receive the full amount of the priority claim because the bankruptcy courts have interpreted the accrual period very strictly. Judges do not agree that promised severance pay for accrued vacation time was all earned in the last 90 or 100 days before bankruptcy, even when it might have been. Because there is no uniformity in the way these benefits are earned or paid, the location of the bankruptcy changes the way the wage priority operates and results in costly and time-consuming legislation, litigation over the accrual of benefits. Eliminating the accrual time period streamlines the application of the wage priority and allows employees to recover more of what they have earned.

Another important type of compensation that workers earn is the right to enjoy certain benefits when they retire. Pensions, life insurance, or health care coverage are earned by workers—it is part of the deal—in addition to their weekly paychecks. They have reason to expect these things will be coming to them. We know the nature of the American economy is changing. I do not argue that. Yet sadly we have seen many companies in the past few years abandon the promises they made when they declared bankruptcy.

Sometimes bankruptcy is used as a reason to avoid promises that were made. More and more we see companies taking the easy road by abandoning commitments they made to workers. For retirees who have planned for their golden years based upon the benefits they have earned, losing health insurance could be a devastating blow. That is sort of one of the more obvious statements one can make. Retirees must have the right to reasonable compensation if the company seeks to break its promise to provide health insurance.

Under current law, these retirees receive what is called a general unsecured claim for the value of the benefits they lost. As any creditor will tell you, a general unsecured claim is essentially worthless in most bankruptcies. It means you are at the end of the line and there are not enough assets to go around. This law allows companies to essentially rescind compensation that retirees have earned with virtually no cost to the company. Of course, that is a great deal for the company, but it is spectacularly unfair to the retirees.

Recognizing that so-called legacy costs are often an impossible burden for a company that is trying to emerge from bankruptcy, my amendment would still allow companies in some circumstances to alter the health coverage offered to retirees. However, it would require that the company pay at least some minimum level of compensation to retirees.

Under my proposal, each retiree would be entitled to a payment equal to the cost of purchasing comparable health insurance for a period of 18 months. I will repeat that. Each retiree would be entitled to a payment equal to the cost of purchasing comparable health insurance for a period of 18 months. Of course, 18 months of health insurance coverage is a lot less than many of these retirees are losing, but it can ease the transition as retirees try to make alternative plans, and it will discourage companies from thinking that terminating retiree health coverage is an easy solution or perhaps even part of the reason for seeking bankruptcy in the first place. The retirees would still be entitled to a general unsecured claim for the value of the benefits lost in excess of this one-time payment. This change would ensure that retirees, while still not being made whole on lost benefits, will at least receive some compensation for broken promises.

Mr. President, I understand that many creditors or investors are not able to recover what is rightfully owed to them in the course of bankruptcy, but employees deserve protection that recognizes the unique nature of their dependence on the employer. Any smart investor diversifies his or her portfolio so that a bankruptcy at one company does not bankrupt the investor. Likewise, suppliers and creditors that do business with a company typically have many other clients. That is not the case, however, with workers. They cannot diversify away the risk of working for a bankrupt company. They are there all by themselves, and the financial hardship bankruptcy brings is more devastating to the average worker than the average creditor or supplier. I believe that logic is pretty clear.

The relief provided by this amendment is modest. It will not take the sting out of bankruptcy. By definition, a bankruptcy is a failure, and it is painful for the company's employees, retirees, and also for the business partners. But by this amendment we would make progress toward ensuring that bankruptcies are more fair—more fair to workers who gave their time, energy, and sweat to the company in exchange for certain promised compensation, which then did not turn out to be available.

I encourage my colleagues to support this amendment.

Mr. JOHNSON. Mr. President, I rise to discuss my opposition to the Durbin amendment to S. 256, the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005.

I have tremendous respect for my colleague from Illinois, and believe he has only the best of intentions with this amendment, which would exempt members of the armed forces from the means testing required under the bill before us.

I have the most profound respect for our servicemen and women, and for our Nation's veterans. Many of you know that my oldest son Brooks is a member of the Armed Forces, and saw active duty in Iraq with the 101st Airborne. But with all due respect, I believe this amendment could in fact harm America's soldiers.

Two years ago, we spent a great deal of time reauthorizing the Fair Credit Reporting Act, the statute governing our Nation's credit granting system. This system is the finest in the world and has essentially opened up access to credit to working Americans throughout this country, regardless of race, gender, marital status, physical location, medical condition, or profession. If someone has the ability to pay, then

the credit system allows underwriters to grant credit to that individual without bias.

S. 256 is carefully crafted so we don't reintroduce possible bias into this system. It would be unacceptable to undo the system which has opened doors of opportunity to millions of Americans who in the past who had experienced bias in the lending process.

Under Senator DURBIN's amendment, military personnel filing for bankruptcy would be exempt from the means test and would automatically qualify for a Chapter 7 filing, regardless of whether that person has the ability to repay part of his or her debt.

If this amendment were to pass, potential creditors would have a legitimate concern that loans to military personnel could require different underwriting standards. This could well mean higher interest rates for our soldiers and veterans. Even more disturbing, this would introduce bias into the system against soldiers and veterans—a perverse result and clearly not what this amendment envisions.

The Senator from Illinois raises a concern that none of us should turn our backs on: and that is whether our servicemen and women are fairly compensated, and whether they have the resources they need, particularly during deployment, to take care of their families. I call on the Congress to look carefully at this issue, and to make sure we are doing right by our military personnel and veterans.

But I urge you not to remedy any possible injustices through the bankruptcy courts.

Bankruptcy represents a longstanding commitment in this country to helping people get a fresh start. This principle has never been giving only certain people a fresh start: for example, only if you are a teacher, or a doctor or a soldier. If we started down that road, I'm not sure what would happen to most members of Congress, who tend to be lawyers.

The point is, this safety net should be available when a person truly cannot make good on his or her commitments, no matter who he or she is or what she does for a living.

No matter how noble the individual, no matter how compelling the story behind the economic need, the bankruptcy system must treat people equally and fairly.

This bill establishes a simple means test, which will affect approximately 10 percent of current filers. All it says is, after we've backed out all your current expenses, including your your house payment, your car payment, your child care costs, your education costs, your utility costs, your medical costs, and a whole host of other items, if after backing out all these payments you have the ability to pay back some of your loans, then you should. That's only right. That's only fair. And it shouldn't matter what your profession is.

Americans are an honorable people, and we work hard and play by the rules. If you can pay your debts, you should.

I am also troubled about the message this amendment sends about chapter 13 filings.

The implication is, do anything you can to avoid a repayment plan. The fact is, under the mechanism set forth in this bill, we have an unprecedented opportunity to help debtors rehabilitate their credit rating faster under a chapter 13 proceeding.

I will be working to encourage bankruptcy trustees to report on-time payments under a chapter 13 payment plan to the three major credit bureaus, so that debtors who get back on track will, quite literally, get credit for that discipline.

I also pledge to work with the creditor community to help them understand how these new payment reports might help them evaluate a chapter 13 debtor.

An amendment that automatically steers debtors to chapter 7 is misguided and would give no thought to the potential benefits of a chapter 13 filing.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DEMINT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. DEMINT. Mr. President, I ask unanimous consent that there now be a period for morning business with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

DISCHARGE PETITION—S.J. RES. 4

Mr. CONRAD. Mr. President, today pursuant to 5 U.S.C. 802(c), I have submitted a petition to discharge the Senate Committee on Agriculture, Nutrition, and Forestry from consideration of S.J. Res. 4, a joint resolution providing for congressional disapproval of the rule relating to risk zones for introduction of bovine spongiform encephalopathy, submitted by the Department of Agriculture under chapter 8 of title 5, United States Code, the Congressional Review Act.

DISCHARGE PETITION

We, the undersigned Senators, in accordance with chapter 8 of title 5, United States Code, hereby direct that the Senate Committee on Agriculture, Nutrition, and Forestry be discharged from further consideration of S.J. Res. 4, a resolution providing for congressional disapproval of the rule submitted by the Department of Agriculture relating to risk zones for the introduction of bovine spongiform encephalopathy, and further, that the resolution be placed upon the Legislative Calendar under General Orders.

Kent Conrad, Craig Thomas, Byron Dorgan, Ken Salazar, Harry Reid, Max Baucus, Jay Rockefeller, John Kerry, Conrad Burns, Tim Johnson, Dianne Feinstein, Jeff Bingaman, Barbara Boxer, Dick Durbin, Ron Wyden, Barack Obama, Chuck Schumer, Paul Sarbanes, Carl Levin, Hillary Clinton, Ted Kennedy, Jack Reed, Patrick Leahy, Tom Harkin, Mark Dayton, Russell Feingold, Barbara Mikulski, James Jeffords, Herb Kohl, Jon Corzine, Chris Dodd, E. Benjamin Nelson, Mary L. Landrieu.

HONORING OUR ARMED FORCES

SPECIALIST DAKOTAH L. GOODING

Mr. GRASSLEY. Mr. President, I speak today in remembrance of an Iowa soldier who has fallen in service to his country. Specialist Dakotah L. Gooding, a member of the C Troop, 5th Squadron, 7th Cavalry Regiment, 3rd Infantry Division, died on the 13th of February in Balad, Iraq when his vehicle overturned into a canal. He was 21 years old.

SPC Gooding grew up in Keokuk, IA and eventually moved to the Des Moines area. He attended the Scavo Alternative School and Lincoln High School. In the fall of 2000, at the age of 17, Dakotah fulfilled a life-long dream of joining the U.S. Army, following in the footsteps of many family members. He had served in the United States and Korea before going to Iraq. SPC Gooding came to Iraq as part of an Army Special Security Force that helped with voter protection in the recent historic democratic elections.

A cousin mentioned that SPC Gooding knew he had a mission to protect those around the world and those at home. SPC Gooding's mission was a noble one, and he carried it out with the courage and dignity that are so characteristic of our American soldiers. For his dedication and sacrifice, Dakotah deserves our respect and admiration. For family and friends who have felt this loss most deeply, I offer my sincere sympathy. My prayers go out to his wife, Angela, his mother, Judith, his two sisters, and his many other family and friends.

May we always remember with pride and appreciation Specialist Dakotah L. Gooding and all those Americans who have gone before him in service to their country.

FOREIGN OPERATIONS APPROPRIATIONS

WORLD COMPASSION

Mr. INHOFE. Mr. President, I know my friend from Kentucky played the key role in conference negotiations on

H.R. 4818, the FY 2005 foreign operations appropriations bill, which were completed last year, and I ask if he is aware of language that was contained in the House report regarding World Compassion's activities in Afghanistan.

Mr. MCCONNELL. My staff informs me that the House report encouraged the State Department to review a proposal from this organization.

Mr. INHOFE. My colleagues should know that as a supporter of this group, I continue to encourage the State Department to consider a proposal from World Compassion. This organization's ''Shelter, Support, and Skills Training for Afghan Refugee and Displaced Widows and Orphans'' Program is an integrated plan that addresses the special needs of widows and their children, many of whom are refugees and internally displaced persons. The program provides shelter, access to clean water, psychosocial support and skills training to enable widows to gain the personal dignity of self-sufficiency.

I would also point out that village leaders have agreed to cooperate with World Compassion on this project. World Compassion has a long, successful track record of working with Afghanis in other programs to provide for their basic needs, and it is my hope that the State Department will help them continue to do so.

Mr. MCCONNELL. I appreciate my friend taking the time to highlight the activities of World Compassion and hope that the State Department acts on the recommendations from the House report.

LOCAL LAW ENFORCEMENT ENHANCEMENT ACT OF 2005

Mr. SMITH. Mr. President, I rise today to speak about the need for hate crimes legislation. Each Congress, Senator KENNEDY and I introduce hate crimes legislation that would add new categories to current hate climes law, sending a signal that violence of any kind is unacceptable in our society. Likewise, each Congress I have come to the floor to highlight a separate hate crime that has occurred in our country.

On Monday, February 28, 2005, two men were severely beaten outside of their hotel room in New Mexico. According to police reports, they were targeted because of their sexual orientation. The two men, who were in an openly gay relationship, were followed back to the hotel by a group of people who were yelling antigay comments at the victims. The assailants than assaulted the two men and fled the scene. The incident is being investigated as a hate crime.

I believe that the Government's first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act is a symbol that can become substance. I believe that by passing this legislation and changing current law, we can change hearts and minds as well.

ASSAULT WEAPONS BAN

Mr. LEVIN. Mr. President, I am pleased to join Senator FEINSTEIN as a cosponsor of her legislation to reauthorize the assault weapons ban. I voted for the original 1994 assault weapons ban and for the amendment to reauthorize the ban in the 108th Congress.

When the 1994 assault weapons ban expired on September 13, 2004, criminals and terrorists gained potential easy access to 19 of the highest powered and most lethal firearms produced. In addition to banning 19 specific weapons, the assault weapons ban also prohibited the sale of semiautomatic weapons that incorporated a detachable magazine and two or more specific military features. These features included folding/telescoping stocks, protruding pistol grips, bayonet mounts, threaded muzzles or flash suppressors, barrel shrouds, or grenade launchers. Common sense tells us that there is no reason for civilians to have easy access to guns with these military style features.

During the 108th Congress, I joined with the majority of my Senate colleagues in adopting an amendment to reauthorize the assault weapons ban for another 10 years. However, the bill to which it was attached was later derailed. Despite the overwhelming support of the law enforcement community, the ongoing threat of terrorism, bipartisan support in the Senate, and the pleas of Americans who have already lost loved ones to assault weapons tragedies, the ban was allowed to expire, as the President and the Republican Congressional leadership were unwilling to act.

Despite the National Rifle Association's assertions that the ban is ineffective, unnecessary, and that guns labeled as assault weapons are rarely used in violent crimes, the need for the assault weapons ban is clear. Just last week, AK–47 assault rifles, like the ones included in the original assault weapons ban, were reportedly used in two separate shootings in Texas and California that left four people dead and four others seriously injured, three of whom were police officers. In Tyler, TX, a gunman armed with an AK–47, wearing a military flak jacket and a bulletproof vest, opened fire outside a courthouse, killing his ex-wife and wounding his son. In the ensuing shootout with police, the gunman was reportedly able to fire as many as 50 rounds at police and innocent bystanders before fleeing in his truck. He was finally shot in another gun battle with police a few miles away. The same day in Los Angeles, a man reportedly armed with an AK–47 walked into his workplace and shot two of his coworkers to death following a dispute. He later turned himself in at a Los Angeles police station.

Unfortunately, assault weapons such as the ones reportedly used in these two shootings as well as many other similar assault weapons are once again being legally produced and sold as a result of the expiration of the assault weapons ban. I again urge my colleagues to act to help prevent tragedies like these by enacting a common sense ban on assault weapons.

SENATOR HIRAM R. REVELS

Mr. OBAMA. Mr. President, I rise to recognize an important anniversary in the history of this Nation.

One hundred and thirty-five years ago on this day, Hiram R. Revels was sworn in as a U.S. Senator from Mississippi. On that day, February 25, 1870, Senator Revels became the first African American to ever serve in the U.S. Congress.

But Hiram Revel's story started in a place very far from Washington, DC. He was born to free parents in 1822 and grew up as an apprentice to a barber in North Carolina. But Hiram wanted to learn more and see more, and so he left for Indiana and then Ohio, where he furthered his education. He was soon ordained a minister by the African Methodist Church, and traveled to congregations all over the Midwest and the South until he finally ended up in Baltimore.

At the beginning of the Civil War, he helped recruit African-American troops for the Union, and he ended up serving as a chaplain for a Mississippi regiment of free Blacks. He stayed in Mississippi after the war, and continued serving as a pastor at various local churches. In 1868, and he ran and was elected alderman. Respected by both Whites and African Americans, he was soon elected as a Mississippi State senator. Then, in 1870, just 5 years after the end of the very war fought for his freedom, Hiram Revels was elected the first African-American U.S. Senator in history.

Like so many of our own, Hiram's story is America's story. The story of the seemingly impossible occurring in a land where good people will give everything to make it possible. The story of hope winning out against all odds. The story of one man's improbable achievement paving the way for so many others.

Did Hiram ever know what he was destined for in that barber shop? When he was sweeping that floor in North Carolina and so many of his brothers and sisters were enslaved, did he ever dream that he would end up a U.S. Senator?

We don't know. But we do know that he did dream of bigger things.

He dreamed of an education, and so even though many kids like him didn't do it, he went to college. He dreamed of helping others, and so even though it involved sacrifice, he became a minister. He dreamed of a free America, and so even though it could have cost him his life, he joined the Union. And he dreamed of lifting up his community, and so even though it wasn't done by people of his color, he ran for office.

He dreamed of making this world a better place, and in doing so, he found a place in history. And so we remember this day—his day—as a symbol of what is possible for those of us who are willing to make it so in this magical place we call America.

ADDITIONAL STATEMENTS

• Mr. OBAMA. Mr. President, I rise to recognize and remember the life of Earl Langdon Neal.

Mr. Neal was one of the finest lawyers and civic leaders Chicago has ever known. From mayors to citizens, business leaders to college students, he was a trusted friend and inspiring mentor to many—including myself.

Earl earned his law degree from Michigan Law School in 1952. Following graduation, he served his country in the U.S. Army until 1955, when he returned to Chicago to join his father's law firm, Neal & Neal.

On their very first case, Earl and his father were forced to commute 170 miles from Chicago to Lincoln simply because there were no hotels in Lincoln that would accept African Americans. But he went anyway because, as his son has said, it wasn't just a job for Earl—it was a way of life.

It was a way of life that led him to serve the city of Chicago as a special assistant corporation counsel responsible for countless land acquisition projects, including the Dan Ryan Expressway, O'Hare's expansion, and the Chicago city colleges, a way of life that led him to start his own practice and earn a place on the University of Illinois board of trustees, a way of life that made almost every person who came to know him speak of him as a warm, compassionate man who put the well-being of his clients above all else.

Earl's passion for his work wasn't complicated. He simply looked around his community and wanted to make it better. And in so many ways, from the places he made possible, to the people's lives he touched, he did. We honor his life, pray for his family, and will miss him dearly.•

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Evans, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting nominations which were referred to the Committee on Armed Services.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE

At 11:23 a.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has agreed to the following concurrent resolution, without amendment:

S. Con. Res. 13. Concurrent resolution congratulating ASME on their 125th anniversary, celebrating the achievements of ASME members, and expressing the gratitude of the American people for ASME's contributions.

The message also announced that the House has agreed to the following concurrent resolutions, in which it requests the concurrence of the Senate:

H. Con. Res. 5. Concurrent resolution providing for the acceptance of a statue of Sarah Winnemucca, presented by the people of Nevada, for placement in National Statuary Hall, and for other purposes.

H. Con. Res. 45. Concurrent resolution recognizing the benefits and importance of school-based music education, and for other purposes.

H. Con. Res. 63. Concurrent resolution permitting the use of the rotunda of the Capitol for a ceremony as part of the commemoration of the days of remembrance of victims of the Holocaust.

MEASURES REFERRED

The following concurrent resolution was read the first and the second times by unanimous consent, and referred as indicated:

H. Con. Res. 45. Concurrent resolution recognizing the benefits and importance of school-based music education, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

MEASURES PLACED ON THE CALENDAR

Pursuant to 5 U.S.C. 802(c), the Committee on Agriculture, Nutrition, and Forestry was discharged from further consideration of the following joint resolution, and placed on the calendar:

S.J. Res. 4. A joint resolution providing for congressional disapproval of the rule submitted by the Department of Agriculture under chapter 8 of title 5, United States Code, relating to risk zones for introduction of bovine spongiform encephalopathy.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, and were referred as indicated:

EC–1153. A communication from the Chairman of the Board of Governors of the Federal Reserve System, transmitting, pursuant to law, a report entitled ''Monetary Policy Report to the Congress''; to the Committee on Banking, Housing and Urban Affairs.

EC–1154. A communication from the Secretary of the Commission, Bureau of Consumer Protection, Federal Trade Commission, transmitting, pursuant to law, the report of a rule entitled ''Alternative Fuels and Vehicles Rule, 16 C.F.R. Part 309'' (RIN3084–0094) received on March 1, 2005; to the Committee on Commerce, Science, and Transportation.

EC–1155. A communication from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Citrus Canker; Quarantined Areas'' (Docket No. 05–005–1) received on March 1, 2005; to the Committee on Agriculture, Nutrition, and Forestry.

EC–1156. A communication from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Karnal Bunt; Revision of Regulations for Importing Wheat'' ((RIN0579–AB74) (Docket No. 02–057–2)) received on March 1, 2005; to the Committee on Agriculture, Nutrition, and Forestry.

EC–1157. A communication from the Director, Office of Congressional Affairs, Nuclear Material Safety and Safeguards, Nuclear Regulatory Commission, transmitting, pursuant to law, the report of a rule entitled ''List of Approved Spent Fuel Storage Casks: HI–STORM 100 Revision'' (RIN3150–AH64) received on March 1, 2005; to the Committee on Environment and Public Works.

EC–1158. A communication from the Director, Office of Congressional Affairs, Nuclear Material Safety and Safeguards, Nuclear Regulatory Commission, transmitting, pursuant to law, the report of a rule entitled ''List of Approved Spent Fuel Storage Casks: NUHOMS–24PT4 Revision'' (RIN3150–AH63) received on March 1, 2005; to the Committee on Environment and Public Works.

EC–1159. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Peanuts, Tree Nuts, Milk, Soybeans , Eggs, Fish, Crustacea, and Wheat; Exemption from the Requirements of a Tolerance; Technical Correction'' (FRL No. 7689–9) received on March 1, 2005; to the Committee on Environment and Public Works.

EC–1160. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Revisions to the California State Implementation Plan, El Dorado County Air Quality Management District (Mountain Counties Portion), Imperial County Air Pollution Control District, and South Coast Air Quality Management District'' (FRL No. 7874–6) received on March 1, 2005; to the Committee on Environment and Public Works.

EC–1161. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Air Quality Implementation Plans; Pennsylvania; Revised Format of 40 CFR Part 52 for Materials

Being Incorporated by Reference'' (FRL No. 7843–2) received on March 1, 2005; to the Committee on Environment and Public Works.

EC–1162. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Mississippi: Final Authorization of State Hazardous Waste Management Program Revision'' (FRL No. 7875–7) received on March 1, 2005; to the Committee on Environment and Public Works.

EC–1163. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Revisions to California State Implementation Plan, Antelope Valley Air Quality Management District'' (FRL No. 7871–1) received on March 1, 2005; to the Committee on Environment and Public Works.

EC–1164. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of State Implementation Plan for Designated Facilities and Pollutants; Forsyth County, Mecklenburg County and Buncombe County, North Carolina, and Chattanooga-Hamilton County, Knox County, and Memphis-Shelby County, Tennessee'' (FRL No. 7877–3) received on March 1, 2005; to the Committee on Environment and Public Works.

EC–1165. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Revisions to California State Implementation Plan, Great Basin Unified Air Pollution Control District and Ventura County Air Pollution Control District'' (FRL No. 7872–4) received on March 1, 2005; to the Committee on Environment and Public Works.

EC–1166. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of State Plans for Designated Facilities and Pollutants; Connecticut; Plan for Controlling MWC Emissions From Existing Municipal Waste Combusters'' (FRL No. 7877–6) received on March 1, 2005; to the Committee on Environment and Public Works.

EC–1167. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Air Quality Implementation Plans; Minnesota; Revised Format of 40 CFR and Part 52 for Materials Being Incorporated by Reference'' (FRL No. 7867–5) received on March 1, 2005; to the Committee on Environment and Public Works.

EC–1168. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Hazardous Waste Management System: Identification and Listing of Hazardous Waste; Dyes and/or Pigments Production Waste; Land Disposal Restrictions for Newly Identified Wastes'' (FRL No. 7875–8) received on March 1, 2005; to the Committee on Environment and Public Works.

EC–1169. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Standards of Performance for Steel Plants: Electric Arc Furnaces Constructed After October 21, 1974, and On or Before August 17,1983; and Standards of Performance for Steel Plants: Electric Arc Furnaces and Argon-Oxygen Decarburization Vessels Constructed After August 17, 1983'' (FRL No. 7874–9) received on March 1, 2005; to the Committee on Environment and Public Works.

EC–1170. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Air Quality Implementation Plans; North Carolina Update to Materials Incorporated by Reference'' (FRL No. 7868–7) received on March 1, 2005; to the Committee on Environment and Public Works.

EC–1171. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Air Quality Implementation Plans; Maine; Control of Total Reduced Sulphur From Kraft Pulp Mills'' (FRL No. 7876–8) received on March 1, 2005; to the Committee on Environment and Public Works.

EC–1172. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Ocean Dumping; Dedesignation of Ocean Dredged Material Disposal Sites and Designation of New Sites'' (FRL No. 7877–9) received on March 1, 2005; to the Committee on Environment and Public Works.

EC–1173. A communication from the Secretary, Judicial Conference of the United States, transmitting, pursuant to law, a report on the Recommendation for the Authorization of Additional Bankruptcy Judgeships; to the Committee on the Judiciary.

EC–1174. A communication from the Secretary, Judicial Conference of the United States, transmitting, a draft of proposed legislation entitled ''Judicial Reporting Improvement Act''; to the Committee on the Judiciary.

EC–1175. A communication from the United State Trade Representative, transmitting, pursuant to law, a report entitled ''2005 Trade Policy Agenda and 2004 Annual Report''; to the Committee on Homeland Security and Governmental Affairs.

EC–1176. A communication from the Assistant Secretary for Legislative Affairs, Department of Homeland Security, transmitting, pursuant to law, a report on the Department's counternarcotics activities for Fiscal Year 2004; to the Committee on Homeland Security and Governmental Affairs.

EC–1177. A communication from the Counsel to the Inspector General, General Services Administration, transmitting, pursuant to law, the report of a nomination to fill the vacant position of Inspector General; to the Committee on Homeland Security and Governmental Affairs.

REPORT RELATING TO THE INTERDICTION OF AIRCRAFT ENGAGED IN ILLICIT DRUG TRAFFICKING—PM 7

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Foreign Relations:

To the Congress of the United States:

Consistent with the authorities relating to official immunity in the interdiction of aircraft engaged in illicit drug trafficking (Public Law 107–108, 22 U.S.C. 2291–4), and in order to keep the Congress fully informed, I am providing a report prepared by my Administration. This report includes matters relating to the interdiction of aircraft engaged in illicit drug trafficking.

GEORGE W. BUSH.

THE WHITE HOUSE, *March 2, 2005.*

REPORT ON THE NATIONAL EMERGENCY WITH RESPECT TO ZIMBABWE—PM 8

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs:

To the Congress of the United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the *Federal Reqister* and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent to the *Federal Reqister* for publication the enclosed notice stating that the national emergency blocking the property of persons undermining democratic processes or institutions in Zimbabwe is to continue in effect beyond March 6, 2005. The most recent notice continuing this emergency was published in the *Federal Reqister* on March 5, 2004 (69 FR 10313).

The crisis constituted by the actions and policies of certain members of the Government of Zimbabwe and other persons to undermine Zimbabwe's democratic processes or institutions has not been resolved. These actions and policies pose a continuing unusual and extraordinary threat to the foreign policy of the United States. For these reasons, I have determined that it is necessary to continue the national emergency blocking the property of persons undermining democratic processes or institutions in Zimbabwe and to maintain in force the sanctions to respond to this threat.

GEORGE W. BUSH.

THE WHITE HOUSE, *March 2, 2005.*

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first

and second times by unanimous consent, and referred as indicated:

By Mrs. CLINTON (for herself and Mr. SCHUMER):

S. 490. A bill to direct the Secretary of Transportation to work with the State of New York to ensure that a segment of Interstate Route 86 in the vicinity of Corning, New York, is designated as the ''Amo Houghton Bypass''; to the Committee on Environment and Public Works.

By Mr. SPECTER (for himself, Mr. SANTORUM, and Mr. LEAHY):

S. 491. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to expand the definition of firefighter to include apprentices and trainees, regardless of age or duty limitations; to the Committee on the Judiciary.

By Mr. FRIST (for himself, Mr. REID, and Mr. LUGAR):

S. 492. A bill to make access to safe water and sanitation for developing countries a specific policy objective of the United States foreign assistance programs, and for other purposes; to the Committee on Foreign Relations.

By Mr. GRASSLEY (for himself, Mr. COCHRAN, Mr. LOTT, and Mr. BUNNING):

S. 493. A bill to amend title II of the Higher Education Act of 1965 to increase teacher familiarity with the educational needs of gifted and talented students, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. AKAKA (for himself, Ms. COLLINS, Mr. GRASSLEY, Mr. LEVIN, Mr. LEAHY, Mr. VOINOVICH, Mr. LIEBERMAN, Mr. COLEMAN, Mr. DURBIN, Mr. DAYTON, Mr. PRYOR, Mr. JOHNSON, Mr. LAUTENBERG, and Mr. CARPER):

S. 494. A bill to amend chapter 23 of title 5, United States Code, to clarify the disclosures of information protected from prohibited personnel practices, require a statement in nondisclosure policies, forms, and agreements that such policies, forms, and agreements conform with certain disclosure protections, provide certain authority for the Special Counsel, and for other purposes; to the Committee on Homeland Security and Governmental Affairs.

By Mr. CORZINE (for himself, Mr. BROWNBACK, Mr. DODD, Mr. DURBIN, Mr. FEINGOLD, Mr. LIEBERMAN, Mr. TALENT, Mr. DEWINE, and Mr. COBURN):

S. 495. A bill to impose sanctions against perpetrators of crimes against humanity in Darfur, Sudan, and for other purposes; to the Committee on Foreign Relations.

By Mr. SALAZAR:

S. 496. A bill to provide permanent funding for the payment in lieu of taxes program, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. SALAZAR:

S. 497. A bill to revitalize our nation's rural communities by expanding broadband services; to the Committee on Finance.

By Mr. BURR (for himself, Ms. LANDRIEU, and Mr. LOTT):

S. 498. A bill to provide for expansion of electricity transmission networks in order to support competitive electricity markets, to ensure reliability of electric service, to modernize regulation and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. DODD:

S. 499. A bill to amend the Consumer Credit Protection Act to ban abusive credit practices, enhance consumer disclosures, protect underage consumers, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

ADDITIONAL COSPONSORS

S. 8

At the request of Mr. ENSIGN, the names of the Senator from Georgia (Mr. ISAKSON) and the Senator from North Carolina (Mr. BURR) were added as cosponsors of S. 8, a bill to amend title 18, United States Code, to prohibit taking minors across State lines in circumvention of laws requiring the involvement of parents in abortion decisions.

S. 37

At the request of Mrs. FEINSTEIN, the name of the Senator from North Carolina (Mr. BURR) was added as a cosponsor of S. 37, a bill to extend the special postage stamp for breast cancer research for 2 years.

S. 65

At the request of Mr. INHOFE, the name of the Senator from Kentucky (Mr. BUNNING) was added as a cosponsor of S. 65, a bill to amend the age restrictions for pilots.

S. 132

At the request of Mr. SMITH, the name of the Senator from Virginia (Mr. ALLEN) was added as a cosponsor of S. 132, a bill to amend the Internal Revenue Code of 1986 to allow a deduction for premiums on mortgage insurance.

S. 151

At the request of Mr. COLEMAN, the name of the Senator from Kentucky (Mr. BUNNING) was added as a cosponsor of S. 151, a bill to amend title 38, United States Code, to require an annual plan on outreach activities of the Department of Veterans Affairs.

At the request of Mr. PRYOR, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 151, supra.

S. 211

At the request of Mrs. CLINTON, the name of the Senator from Connecticut (Mr. LIEBERMAN) was added as a cosponsor of S. 211, a bill to facilitate nationwide availability of 2-1-1 telephone service for information and referral on human services, volunteer services, and for other purposes.

S. 250

At the request of Mr. ENZI, the name of the Senator from Louisiana (Mr. VITTER) was added as a cosponsor of S. 250, a bill to amend the Carl D. Perkins Vocational and Technical Education Act of 1998 to improve the Act.

S. 268

At the request of Mr. HARKIN, the names of the Senator from New Mexico (Mr. BINGAMAN), the Senator from Kentucky (Mr. BUNNING), the Senator from Connecticut (Mr. DODD), the Senator from Illinois (Mr. DURBIN) and the Senator from Connecticut (Mr. LIEBERMAN) were added as cosponsors of S. 268, a bill to provide competitive grants for training court reporters and closed captioners to meet requirements for realtime writers under the Telecommunications Act of 1996, and for other purposes.

S. 287

At the request of Mr. ENSIGN, the name of the Senator from Alabama (Mr. SESSIONS) was added as a cosponsor of S. 287, a bill to require the Congressional Budget Office and the Joint Committee on Taxation to use dynamic economic modeling in the preparation of budgetary estimates of proposed changes in Federal revenue law.

S. 311

At the request of Mrs. CLINTON, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of S. 311, a bill to amend title XIX of the Social Security Act to permit States the option to provide medicaid coverage for low-income individuals infected with HIV.

S. 328

At the request of Mr. CRAIG, the names of the Senator from Maine (Ms. COLLINS) and the Senator from Michigan (Ms. STABENOW) were added as cosponsors of S. 328, a bill to facilitate the sale of United States agricultural products to Cuba , as authorized by the Trade Sanctions Reform and Export Enhancement Act of 2000.

S. 334

At the request of Mr. DORGAN, the name of the Senator from Arkansas (Mrs. LINCOLN) was added as a cosponsor of S. 334, a bill to amend the Federal Food, Drug, and Cosmetic Act with respect to the importation of prescription drugs, and for other purposes.

S. 338

At the request of Mr. SMITH, the names of the Senator from Pennsylvania (Mr. SPECTER) and the Senator from New York (Mr. SCHUMER) were added as cosponsors of S. 338, a bill to provide for the establishment of a Bipartisan Commission on Medicaid.

At the request of Ms. CANTWELL, her name was added as a cosponsor of S. 338, supra.

S. 352

At the request of Ms. MIKULSKI, the names of the Senator from Alaska (Mr. STEVENS), the Senator from Connecticut (Mr. DODD), the Senator from Wisconsin (Mr. KOHL) and the Senator from Delaware (Mr. BIDEN) were added as cosponsors of S. 352, a bill to revise certain requirements for H–2B employers and require submission of information regarding H–2B non-immigrants, and for other purposes.

S. 380

At the request of Ms. COLLINS, the names of the Senator from Alabama (Mr. SESSIONS) and the Senator from Massachusetts (Mr. KENNEDY) were added as cosponsors of S. 380, a bill to amend the Public Health Service Act

to establish a State family support grant program to end the practice of parents giving legal custody of their seriously emotionally disturbed children to State agencies for the purpose of obtaining mental health services for those children.

S. 382

At the request of Mr. ENSIGN, the name of the Senator from Wisconsin (Mr. FEINGOLD) was added as a cosponsor of S. 382, a bill to amend title 18, United States Code, to strengthen prohibitions against animal fighting, and for other purposes.

S. 397

At the request of Mr. CRAIG, the name of the Senator from Mississippi (Mr. LOTT) was added as a cosponsor of S. 397, a bill to prohibit civil liability actions from being brought or continued against manufacturers, distributors, dealers, or importers of firearms or ammunition for damages, injunctive or other relief resulting from the misuse of their products by others.

S. 403

At the request of Mr. ENSIGN, the names of the Senator from Georgia (Mr. ISAKSON) and the Senator from North Carolina (Mr. BURR) were added as cosponsors of S. 403, a bill to amend title 18, United States Code, to prohibit taking minors across State lines in circumvention of laws requiring the involvement of parents in abortion decisions.

S. 417

At the request of Mr. DORGAN, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 417, a bill to amend the Internal Revenue Code of 1986 to provide for a refundable wage differential credit for activated military reservists.

S. 424

At the request of Mr. BOND, the name of the Senator from Washington (Ms. CANTWELL) was added as a cosponsor of S. 424, a bill to amend the Public Health Service Act to provide for arthritis research and public health, and for other purposes.

S. 425

At the request of Mr. LEAHY, the name of the Senator from Vermont (Mr. JEFFORDS) was added as a cosponsor of S. 425, a bill to authorize the Secretary of Agriculture to sell or exchange certain National Forest System land in the State of Vermont.

S. 489

At the request of Mr. ALEXANDER, the names of the Senator from Arkansas (Mr. PRYOR) and the Senator from Nebraska (Mr. NELSON) were added as cosponsors of S. 489, a bill to amend chapter 111 of title 28, United States Code, to limit the duration of Federal consent decrees to which State and local governments are a party, and for other purposes.

S. RES. 33

At the request of Mr. LEVIN, the names of the Senator from Delaware (Mr. BIDEN) and the Senator from Maryland (Mr. SARBANES) were added as cosponsors of S. Res. 33, a resolution urging the Government of Canada to end the commercial seal hunt.

S. RES. 40

At the request of Ms. LANDRIEU, the name of the Senator from Indiana (Mr. LUGAR) was added as a cosponsor of S. Res. 40, a resolution supporting the goals and ideas of National Time Out Day to promote the adoption of the Joint Commission on Accreditation of Healthcare Organizations' universal protocol for preventing errors in the operating room.

AMENDMENT NO. 15

At the request of Mr. AKAKA, the name of the Senator from Arkansas (Mrs. LINCOLN) was added as a cosponsor of amendment No. 15 proposed to S. 256, a bill to amend title 11 of the United States Code, and for other purposes.

AMENDMENT NO. 19

At the request of Mrs. FEINSTEIN, the name of the Senator from Kansas (Mr. BROWNBACK) was added as a cosponsor of amendment No. 19 proposed to S. 256, a bill to amend title 11 of the United States Code, and for other purposes.

AMENDMENT NO. 24

At the request of Mr. ROCKEFELLER, the names of the Senator from Minnesota (Mr. DAYTON), the Senator from Illinois (Mr. OBAMA) and the Senator from Massachusetts (Mr. KENNEDY) were added as cosponsors of amendment No. 24 proposed to S. 256, a bill to amend title 11 of the United States Code, and for other purposes.

AMENDMENT NO. 25

At the request of Mr. ROCKEFELLER, the name of the Senator from Illinois (Mr. OBAMA) was added as a cosponsor of amendment No. 25 intended to be proposed to S. 256, a bill to amend title 11 of the United States Code, and for other purposes.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SPECTER (for himself, Mr. SANTORUM, and Mr. LEAHY):

S. 491. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to expand the definition of firefighter to include apprentices and trainees, regardless of age or duty limitations; to the Committee on the Judiciary.

Mr. SPECTER. Mr. President, I seek recognition today to introduce the Christopher Kangas Fallen Firefighter Apprentice Act, a bill designed to correct a flaw in the current definition of ''firefighter'' under the Public Safety Officer Benefits Act.

On May 4, 2002, 14-year-old Christopher Kangas was struck by a car and killed while he was riding his bicycle in Brookhaven, PA. The local authorities later confirmed that Christopher was out on his bike that day for an important reason: Chris Kangas was a junior firefighter, and he was responding to a fire emergency.

Under Pennsylvania law, 14- and 15-year-olds such as Christopher are permitted to serve as volunteer junior firefighters. While they are not allowed to operate heavy machinery or enter burning buildings, the law permits them to fill a number of important support roles, such as providing first aid. In addition, the junior firefighter program is an important recruitment tool for fire stations throughout the Commonwealth. In fact, prior to his death Christopher had received 58 hours of training that would have served him well when he graduated from the junior program.

It is clear to me that Christopher Kangas was a firefighter killed in the line of duty. Were it not for his status as a junior firefighter and his prompt response to a fire alarm, Christopher would still be alive today. Indeed, the Brookhaven Fire Department, Brookhaven Borough, and the Commonwealth of Pennsylvania have all recognized Christopher as a fallen public safety officer and provided the appropriate death benefits to his family.

Yet, while those closest to the tragedy have recognized Christopher as a fallen firefighter, the Federal Government has not. The U.S. Department of Justice (DOJ) determined that Christopher Kangas was not eligible for benefits because he was not acting within a narrow range of duties at the time of his death that are the measured criteria to be considered a ''firefighter,'' and therefore, was not a ''public safety officer'' for purposes of the Public Safety Officer Benefits Act. In order to be eligible for benefits under the Public Safety Officer Benefits Act, an officer's death must be considered the ''direct and proximate result of a personal injury sustained in the line of duty.'' Although the United States Code includes firefighters in the definition of ''public safety officer'' and specifies a firefighter as ''an individual serving as an officially-recognized or designated member of a legally-organized volunteer fire department;'' it offers no definition of ''line of duty''. DOJ had to defer to an arbitrarily narrow definition of ''line of duty,'' as described in the Code of Federal Regulations that restricts activities to the ''suppression of fires.'' DOJ decided that the only people who qualify as firefighters are those who play the starring role of operating a hose on a ladder or entering a burning building. According to this interpretation, those, such as junior firefighters, who play the essential supporting roles of directing traffic, performing first aid, or dispatching fire vehicles do not contribute to the act of suppressing the fire.

Any firefighter will tell you that there are many important roles to play

in fighting a fire beyond operating the hoses and ladders. Firefighting is a team effort, and everyone in the Brookhaven Fire Department viewed young Christopher as a full member of their team.

As a result of this DOJ determination, Christopher's family will not receive a $267,000 Federal line-of-duty benefit. In addition, Christopher will be barred from taking his rightful place on the National Fallen Firefighters Memorial in Emmitsburg, MD. For a young man who dreamed of being a firefighter and gave his life rushing to a fire, keeping him off of the memorial is a grave injustice.

The bill I introduce today will ensure that the Federal Government will recognize Christopher Kangas and others like him as firefighters. The bill clarifies that all firefighters will he recognized as such ''regardless of age, status as an apprentice or trainee, or duty restrictions imposed because of age or status as an apprentice or trainee.'' The bill applies retroactively back to May 4, 2002 so that Christopher, as well as three others, can benefit from it.

I urge my colleagues to support this important legislation.

By Mr. FRIST (for himself, Mr. REID, and Mr. LUGAR):

S. 492. A bill to make access to safe water and sanitation for developing countries a specific policy objective of the United States foreign assistance programs, and for other purposes; to the Committee on Foreign Relations.

Mr. FRIST. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 492

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Safe Water: Currency for Peace Act of 2005''.

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) Water-related diseases are a human tragedy, killing and debilitating millions of people annually, preventing millions of people from leading healthy lives, and undermining development efforts.

(2) Providing safe supplies of water, and sanitation and hygiene improvements would save millions of lives by reducing the prevalence of water-borne diseases, water-based diseases, water-privation diseases, and water-related vector diseases.

(3) An estimated 1,800,000 people die of diarrhoeal diseases every year. Ninety percent of these people are children under the age of five who live in developing countries. Simple household and personal hygiene measures, such as household water treatment and safe storage and effective hand washing with soap, reduce the burden of diarrhoeal disease by more than 40 percent.

(4) According to the World Health Organization, 88 percent of diarrhoeal disease can be attributed to unsafe water supply, and inadequate sanitation and hygiene.

(5) Around the world, more than 150,000,000 people are threatened by blindness caused by trachoma, a disease that is spread through poor hygiene and sanitation, and aggravated by inadequate water supply.

(6) Chronic intestinal helminth infections are a leading source of global morbidity, including cognitive impairment and anemia for hundred of millions of children and adults. Access to safe water and sanitation and better hygiene practices can greatly reduce the number of these infections.

(7) Schistosomiasis is a disease that affects 200,000,000 people, 20,000,000 of whom suffer serious consequences, including liver and intestinal damage. Improved water resource management to reduce infestation of surface water, improved sanitation and hygiene, and deworming treatment can dramatically reduce this burden.

(8) In 2002, 2,600,000,000 people lacked access to improved sanitation. In sub-Saharan Africa, only 36 percent of the population has access to improved sanitation. In developing countries, only 31 percent of the population in rural areas has access to improved sanitation.

(9) Improved management of water resources can contribute to comprehensive strategies for controlling mosquito populations associated with life-threatening vector-borne diseases in developing countries, especially malaria, which kills more than 1,000,000 people each year, most of whom are children.

(10) Natural disasters such as floods and droughts threaten people's health. Floods contaminate drinking-water systems with industrial waste refuse, sewage, and human and animal excreta. Droughts exacerbate malnutrition and limit access to drinking water supplies. Sound water resource management can mitigate the impact of such natural disasters.

(11) The United Nations Population Fund report entitled ''Water: A Critical Resource'' stated that ''Nearly 500 million people [suffer from] water stress or serious water scarcity. Under current trends, two-thirds of the world's population may be subject to moderate to high water stress by 2025''. Effective water management and equitable allocation of scarce water supplies for all uses will become increasingly important for meeting both human and ecosystem water needs in the future.

(12) The participants in the World Summit on Sustainable Development, held in Johannesburg, South Africa, in 2002, agreed to the Plan of Implementation of the World Summit on Sustainable Development which included an agreement to work to reduce by one-half ''the proportion of people who are unable to reach or afford safe drinking water,'' and ''the proportion of people without access to basic sanitation'' by 2015.

(13) At the World Summit on Sustainable Development, building on the U.S.-Japan Partnership for Security and Prosperity announced in June 2001 by President Bush and Prime Minister Koizumi, the United States and Japan announced a Clean Water for People Initiative to cooperate in providing safe water and sanitation to the world's poor, improve watershed management, and increase the productivity of water.

(14) At the World Summit on Sustainable Development, the United States announced the Water for the Poor Initiative which committed the United States to provide $970,000,000 over 3 years to increase access to safe water and sanitation services, improve watershed management, and increase the productivity of water. During fiscal year 2004, the United States provided an estimated $817,000,000 in assistance to the Water for the Poor Initiative, including funds made available for reconstruction activities in Iraq, of which $388,000,000 was made available for safe drinking water and sanitation programs.

(15) During fiscal year 2004, the United States provided $49,000,000 in assistance for activities to provide safe drinking water and sanitation in sub-Saharan Africa, an amount that is equal to 6.5 percent of total United States foreign assistance provided for all water activities in the Water for the Poor Initiative.

(16) At the 2003 Summit of the Group of Eight in Evian, France, the members of the Group of Eight produced a plan entitled ''Water: A G8 Action Plan'' that stated that a lack of water can undermine human security. The Action Plan committed the members of the Group of Eight to playing a more active role in international efforts to provide safe water and sanitation to the world's poor by mobilizing domestic resources in developing countries for water infrastructure financing through the development and strengthening of local capital markets and financial institutions, particularly by establishing, where appropriate, at the national and local levels, revolving funds that offer local currency financings, which allow communities to finance capital-intensive water infrastructure projects over an affordable period of time at competitive rates.

(17) The G8 Action Plan also committed members of the Group of Eight to provide risk mitigation mechanisms for such revolving funds and to provide technical assistance for the development of efficient local financial markets and building municipal government capacity to design and implement financially viable projects and provide, as appropriate, targeted subsidies for the poorest communities that cannot fully service market rate debt.

(18) The United Nations General Assembly Resolution 58/217 of February 9, 2004, proclaimed ''the period from 2005 to 2015 the International Decade for Action, 'Water for Life', to commence on World Water Day, 22 March 2005'' for the purpose of increasing the focus of the international community on water-related issues at all levels and on the implementation of water-related programs and projects.

SEC. 3. WATER FOR HEALTH AND DEVELOPMENT.

(a) IN GENERAL.—Part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.) is amended by inserting after section 104C the following new section:

''SEC. 104D. WATER FOR HEALTH AND DEVELOPMENT.

''(a) FINDING.—Congress makes the following findings:

''(1) Access to safe water and sanitation and improved hygiene are significant factors in controlling the spread of disease in the developing world and positively affecting economic development.

''(2) The health of children and other vulnerable rural and urban populations in developing countries, especially sub-Saharan Africa and South Asia, is threatened by a lack of adequate safe water, sanitation, and hygiene.

''(3) Efforts to meet United States foreign assistance objectives, including those related to agriculture, the human immunodeficiency virus (HIV) and acquired immune deficiency syndrome (AIDS), and the environment will be advanced by improving access to safe water and sanitation and promoting sound water management throughout the world.

''(4) Developing sustainable financing mechanisms, including private sector financing, is critical to the long-term sustainability of improved water supply, sanitation, and hygiene.

''(5) The annual level of investment needed to meet the water and sanitation needs of developing countries far exceeds the amount of Official Development Assistance (ODA) and spending by governments of developing countries, so attracting greater public and private investment is essential.

''(6) Long-term sustainability in the provision of access to safe water and sanitation and in the maintenance of water and sanitation facilities requires a legal and regulatory environment conducive to private sector investment and private sector participation in the delivery of water and sanitation services.

''(7) The absence of robust domestic financial markets and sources for long-term financing are a major impediment to the development of water and sanitation projects in developing countries.

''(8) At the 2003 Summit of the Group of Eight in Evian, France, the members of the Group of Eight produced a plan entitled 'Water: A G8 Action Plan' that contemplated the promotion of domestic revolving funds to provide local currency financing for capital-intensive water infrastructure projects. Innovative financing mechanisms such as revolving funds and pooled-financings have been effective vehicles for mobilizing domestic savings for investments in water and sanitation both in the United States and in some developing countries. These mechanisms can serve as a catalyst for greater investment in water and sanitation projects by villages, small towns, and municipalities.

''(9) The G8 Action Plan also committed members of the Group of Eight to improving coordination and cooperation between donors, and such improved coordination and cooperation is essential for enlarging the beneficial impact of donor initiatives.

''(b) POLICY.—It is a major objective of United States foreign assistance—

''(1) to promote good health and economic development by providing assistance to expand access to safe water and sanitation, promote sound water management, and improve hygiene for people around the world; and

''(2) to promote, to the maximum extent practicable and appropriate, long-term sustainability in the provision of access to safe water and sanitation by encouraging private investment in water and sanitation infrastructure and services.

''(c) AUTHORIZATION.—

''(1) IN GENERAL.—To carry out the policy set out in subsection (b), the President is authorized to furnish assistance, including health information and education, to advance good health and promote economic development by improving the safety of water supplies, expanding access to safe water and sanitation, promoting sound water management, and promoting better hygiene.

''(2) LOCAL CURRENCY.—The President may use payments made in local currencies under an agreement made under title I of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1701 et seq.) to provide assistance under this section, including assistance for activities related to drilling or maintaining wells.''.

(b) CONFORMING AMENDMENT.—Section 104(c) of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1704(c)) is amended by adding at the end the following new paragraph:

''(9) SAFE WATER.—To provide assistance under section 104D of the Foreign Assistance Act of 1961 to advance good health and promote economic development by improving the safety of water supplies, including programs related to drilling or maintaining wells.''.

SEC. 4. PILOT PROGRAM FOR WATER SUSTAINABILITY INFRASTRUCTURE DEVELOPMENT AND CAPACITY BUILDING.

(a) IN GENERAL.—Section 104D of the Foreign Assistance Act of 1961, as added by section 3, is amended by adding at the end the following new subsection:

''(d) PILOT CLEAN WATER SUSTAINABILITY INFRASTRUCTURE DEVELOPMENT PROGRAM.—

''(1) AUTHORITY FOR PILOT PROGRAM.—In order to study the feasibility and desirability of a program to assist countries that have a high proportion of the population that is susceptible to water-borne illnesses as a result of a lack of basic infrastructure for clean water and sanitation, the President, in close coordination with the Administrator of the United States Agency for International Development and the Director of the Overseas Private Investment Corporation, is authorized to establish a 5-year pilot program under which the President may—

''(A) provide for the issuance of investment insurance, investment guarantees, or loan guarantees, provide for direct investment or investment encouragement, or carry out special projects and programs for eligible investors to assist such countries in the development of safe drinking water and sanitation infrastructure programs; and

''(B) provide assistance to support the activities described in subparagraphs (A) through (D) of paragraph (2) for the purposes of—

''(i) carrying out the policy set out in subsection (b); and

''(ii) maximizing the effectiveness of assistance provided under subparagraph (A).

''(2) ACTIVITIES SUPPORTED.—Assistance provided to a country under paragraph (1)(B) shall be used to—

''(A) assess the water development needs of such country;

''(B) design projects to address such water development needs;

''(C) develop the capacity of individuals and institutions in such country to carry out and maintain water development programs through training, joint work projects, and educational programs; and

''(D) provide long-term monitoring of water development programs.

''(3) GEOGRAPHIC LIMITATION.—The President may only provide assistance under the pilot program under paragraph (1) to a country based on consultation with Congress.

''(4) ADDITIONAL CRITERIA.—In making determinations of eligibility under this subsection, the President should give preferential consideration to projects sponsored by or significantly involving United States small businesses or cooperatives.

''(5) IMPLEMENTATION.—To the extent provided for in advance in appropriations Acts, the President is authorized to create such legal mechanisms as may be necessary for the implementation of its authorities under this subsection. Such legal mechanisms may be deemed non-Federal borrowers for purposes of the Federal Credit Reform Act of 1990 (2 U.S.C. 661 et seq.).

''(6) LOAN GUARANTEES.—Notwithstanding any other provision of law, the President is authorized to provide assistance under the pilot program under paragraph (1) in the form of partial loan guarantees, provided that such a loan guarantee may not exceed 75 percent of the total amount of the loan.

''(7) COORDINATION.—The President is authorized to coordinate the activities of each agency or department of the United States to provide to a country assistance for an activity described in subparagraphs (A) through (D) of paragraph (2).

''(8) FEDERAL AGENCY RESPONSIBILITIES.—Under the direction of the President, the head of each agency or department of the United States is authorized to assign, detail, or otherwise make available to the Department of State any officer or employee of such agency or department who possesses expertise related to an activity described in subparagraphs (A) through (D) of paragraph (2).

''(9) REPORT TO CONGRESS.—The President shall annually prepare and submit to the Committee on Appropriations, the Committee on Foreign Relations, and the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Appropriations, the Committee on International Relations, and the Committee on Energy and Commerce of the House of Representatives a report concerning the implementation of the pilot program under this subsection.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall be effective during the 5-year period beginning on the date of enactment of this Act.

SEC. 5. SAFE WATER STRATEGY.

(a) REQUIREMENT FOR STRATEGY.—The Secretary of State, in close coordination with the Administrator of the United States Agency for International Development and in consultation with other appropriate Federal agencies, appropriate international organizations, foreign governments, United States nongovernmental organizations, and other appropriate entities, shall develop and implement a strategy to further the United States foreign assistance objective to promote economic development by promoting good health through the provision of assistance to expand access to safe water and sanitation, to promote sound water management, and to improve hygiene for people around the world.

(b) CONTENT.—The strategy required by subsection (a) shall include—

(1) an assessment of the activities that have been carried out, or that are planned to be carried out, by the United States to improve hygiene or access to safe water and sanitation by underserved rural or urban poor populations, the countries of sub-Saharan Africa, or in countries that receive assistance from the United States Agency for International Development;

(2) methods to achieve long-term sustainability in the provision of access to safe water and sanitation, the maintenance of water and sanitation facilities, and effective promotion of improved hygiene, in the context of appropriate financial, municipal, health, and water management systems;

(3) methods to use United States assistance to promote community-based approaches, including the involvement of civil society, to further the objectives described in subsection (a);

(4) methods to mobilize and leverage the financial, technical, and managerial expertise of businesses, governments, nongovernmental, and civil society in the form of public-private alliances such as the Global Development Alliances of the Agency which encourage innovation and effective solutions for improving sustainable access to safe water and sanitation;

(5) goals to further the objectives described in subsection (a) and methods to measure whether progress is being made to meet such goals, including indicators to measure

progress and procedures to regularly evaluate and monitor progress;

(6) assessments of the challenges and obstacles that impede the provision of access to safe water and sanitation, as well as the improvement of hygiene practices, critical in developing countries;

(7) assessments of how access to safe water, sanitation, and hygiene programs, as well as water resource programs, effectively support the goal of combating the human immunodeficiency virus (HIV) and the acquired immune deficiency syndrome (AIDS);

(8) assessments of the roles that other countries or entities, including international organizations, could play in furthering such objective and mechanisms to establish coordination among the United States, foreign countries, and other entities;

(9) assessments of the level of resources that are needed each year to further such objective; and

(10) methods to coordinate and integrate programs of the United States to further such objective with other United States foreign assistance programs.

(c) REPORTS TO CONGRESS.—

(1) INITIAL REPORT.—Not later than 180 days after the date of enactment of this Act, the President shall submit to Congress a report that describes the strategy required by subsection (a).

(2) REPORT.—Not less than once every 2 years after the submission of the initial report under paragraph (1), the President shall submit to Congress a report on the status of the implementation of the strategy and progress made in achieving the objective described in subsection (a).

SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated for each of the fiscal years 2006 through 2011 such sums as may be necessary to carry out this Act and the amendments made by this Act.

(b) OTHER AMOUNTS.—Amounts appropriated pursuant to the authorization of appropriations in subsection (a) shall be in addition to the amounts otherwise available to carry out this Act and the amendments made by this Act.

By Mr. GRASSLEY (for himself, Mr. COCHRAN, Mr. LOTT, and Mr. BUNNING):

S. 493. A bill to amend title II of the Higher Education Act of 1965 to increase teacher familiarity with the educational needs of gifted and talented students, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

Mr. GRASSLEY. Mr. President, I am reintroducing a bill I proposed in the last Congress to help prepare new teachers to recognize and meet the needs of gifted and talented students. According to the federally funded National Research Center on the Gifted and Talented, the large majority of gifted and talented students spend at least 80 percent of their time in a regular education classroom. Of course, gifted students are not gifted only 20 percent of the time. They are gifted all the time. Unfortunately, the lack of teacher preparation means that gifted students are not being challenged during much of the time they spend in the classroom. Their educational needs are not being met.

Unfortunately, there are many misconceptions about the needs of gifted children. You might say, ''Why should we worry about these children? They are the smart ones that the teacher doesn't have to spend so much time on.'' First of all, I'm not talking about your average straight A student who maybe learns the material easily, but much the same way as other students in the classroom. What makes a child gifted and talented is not how well the child does in school, but how he or she learns. A straight A student may or may not be gifted and a gifted student may not always get good grades in school. Gifted and talented children actually have a different way of looking at the world. They tend to have distinct approaches to learning and interacting socially, and they frequently learn at a different pace, and to different depths, than others their age. The bottom line is that gifted and talented children have unique learning needs that need to be met in order for them to achieve to their potential.

To illustrate this point, I would like to remind the Senate of an example I first cited two years ago while speaking on another piece of legislation related to gifted and talented students. It concerns a young elementary school student from Iowa City named Jose. Jose was not putting much effort into his schoolwork and was getting bad grades. He was a good kid but he also had a tendency to act up in class. He got along with his classmates, but didn't have many friends. Jose's teacher was frustrated and couldn't figure out what to do with him. Still, Jose's parents saw in him a real hunger for learning and had his IQ tested over the summer. It turns out that what the teacher saw as behavior problems or a lack of work ethic were really symptoms of a gifted student who was not being properly challenged. Jose started leaving his regular classroom a couple of times a week to work with a teacher who was trained in meeting the needs of gifted students. As a result of the added stimulation he received, Jose started to enjoy school more, made friends with his gifted peers, and began to succeed with his regular school work.

Jose was fortunate that his parents were so perceptive and were able to have him assessed privately. However, not all parents are in a position to recognize the signs of giftedness or to advocate for their child's needs. Even in schools where there are active gifted and talented programs, many students go unidentified. Moreover, even with pull-out programs like the one I described that supplement the classroom experience and other strategies like grade skipping, it is inevitable that many gifted students will spend much of their time in a regular classroom with non-gifted students of the same age but far different ability levels. This is not necessarily a bad thing, but it means that all classroom teachers should have at least a basic knowledge about how to recognize and meet the needs of gifted and talented students in their classrooms. However, a national survey of third and fourth grade teachers by the National Research Center on the Gifted and Talented found that 61 percent of teachers had no training whatsoever in teaching highly able students.

Only one State currently requires regular classroom teachers to have coursework in gifted education. Some of the techniques used in classrooms to accommodate gifted kids include differentiated curriculum, cluster grouping, and accelerated learning. The time to make sure teachers have the necessary knowledge is when prospective teachers are in their pre-service teacher training programs. If teachers aren't exposed to information and strategies to meet the needs of gifted students in their pre-service training, they may never acquire the necessary knowledge and skills. With the Higher Education Act due for reauthorization, this is the perfect opportunity to encourage schools of education and States to take a greater look at how they can improve teacher preparation programs to integrate instruction on the unique needs of gifted learners.

Title II of the Higher Education Act already contains grants designed to enhance the quality of teacher preparation programs. My bill would simply add allowable uses to these existing grants to provide an incentive for states and teacher training programs to incorporate the needs of gifted and talented students into teacher preparation and licensure requirements. I should point out that this change would not cost the taxpayers any additional money.

Under current law, Title II State grants are awarded directly to States and are to be used to reform State teacher preparation requirements. The law lists seven potential reforms under the allowable uses for grant funds. The first three allowable uses include: strengthening state requirements for teacher preparation programs to ensure teachers are highly competent in their respective academic content areas, reforming certification and licensure requirements with respect to competency in content areas, and providing alternatives to traditional teacher preparation programs. My legislation would add another allowable use, referencing these three reforms, to encourage states to incorporate a focus on the learning needs of gifted and talented students into reforms of state requirements for teacher preparation programs, reforms of state certification and licensure requirements, or new alternative teacher preparation programs. In addition, my bill would add a new allowable use so that States

could use grant funds to create or expand new-teacher mentoring programs on the needs of gifted and talented students. This way, new teachers could learn from veteran teachers about how to identify classroom indicators of giftedness and provide appropriate instruction to gifted students.

My bill would also add language to the Partnership Grants, which provide funds to partnerships among teacher preparation institutions, school of arts and sciences, and high-need school districts to strengthen new teacher education. These grants come with three required uses, including reforming teacher preparation programs to ensure teachers are highly competent in academic content areas, providing preservice clinical experience, and creating opportunities for enhanced and ongoing professional development. One allowable use for which a partnership may use funds is preparing teachers to work with diverse populations, including individuals with disabilities and limited English proficient individuals. To this section, my legislation would add gifted and talented students. Recognizing that every teacher could have gifted students in his or her classroom, my bill would also add a new allowable use so that teacher preparation programs could use the funds to infuse teacher coursework with units on the characteristics of high-ability learners. In other words, the idea is not to require additional courses, but rather to discuss how to accommodate for the needs of gifted students throughout the teacher preparation curriculum when new teachers are learning how to present lessons.

Again, my bill does not create a new grant program and doesn't cost any more money. It simply provides an incentive through existing grant programs to encourage States and teacher preparation programs to make sure that new teachers have the skills they will need to identify and meet the unique needs of the gifted and talented students who will be in their classrooms. I think we all recognize how important a quality teacher can be in helping a student achieve. This is no less true with gifted and talented students. Having a teacher that is equipped to meet the unique needs of gifted students can mean the difference between a child hating school and a child loving school; a child falling behind, and a child succeeding beyond all expectations. When a gifted child is left behind, the loss of human potential is doubly tragic. Gifted and talented children are a national resource that we must nurture now for our nation's future. This modest step could reap rewards for generations to come. I urge my colleagues to join me in this investment in our future.

By Mr. AKAKA (for himself, Ms. COLLINS, Mr. GRASSLEY, Mr. LEVIN, Mr. LEAHY, Mr. VOINOVICH, Mr. LIEBERMAN, Mr. COLEMAN, Mr. DURBIN, Mr. DAYTON, Mr. PRYOR, Mr. JOHNSON, Mr. LAUTENBERG, and Mr. CARPER):

S. 494. A bill to amend chapter 23 of title 5, United States Code, to clarify the disclosures of information protected from prohibited personnel practices, require a statement in nondisclosure policies, forms, and agreements that such policies, forms, and agreements conform with certain disclosure protections, provide certain authority for the Special Counsel, and for other purposes; to the Committee on Homeland Security and Governmental Affairs.

Mr. AKAKA. Mr. President. Today I rise to reintroduce the Federal Employee Protection of Disclosures Act, which was unanimously reported out of the Senate Homeland Security and Governmental Affairs Committee last year with strong bipartisan support. I am joined again in this effort by Senator COLLINS, chairman of the committee, whose focus on this issue and willingness to work with me in developing this legislation demonstrates how important it is to ensure that Federal employees are protected when they disclose government waste, fraud, and abuse. I am pleased to be joined by our committee's ranking member, Senator Lieberman.

Once again, I am proud to have the support of Senator CHARLES GRASSLEY and Senator CARL LEVIN, both of whom are longstanding advocates of Federal whistleblowers. My colleagues from Iowa and Michigan championed the 1989 Whistleblower Protection Act and have supported my legislation since 2001. Their support, along with the strong bipartisan support of Senators LEAHY, VOINOVICH, COLEMAN, DURBIN, DAYTON, PRYOR, JOHNSON, LAUTENBERG, and CARPER demonstrates the importance of this good government legislation.

Our legislation will strengthen the protections given to Federal whistleblowers and encourage employees to come forward to disclose government waste, fraud, and abuse. Providing meaningful protection to whistleblowers fosters an environment that promotes the disclosure of government wrongdoing and mismanagement that may adversely affect the American public. If Federal employees fear reprisal for blowing the whistle, we fail to protect the whistleblower, taxpayers, and, in notable instances, national security and our public health.

The most recent example is the disclosure by Dr. David Graham of the Food and Drug Administration, FDA, who exposed problems at the FDA regarding the safety of new pharmaceuticals. By revealing the threat posed to public health and the safety of pharmaceuticals currently on the market, as well as the organizational structure of the Center for Drug Evaluation and Research, CDER, and CDER's internal conflict of interest in evaluating the safety of drugs both pre- and post-marketing, Dr. Graham risked his career to report hazards to our public health.

As a direct result of Dr. Graham's decision to speak publicly, Americans are now more aware of the potential risks of various pharmaceuticals and government leaders are seeking ways to increase transparency of the oversight of new medications. Two weeks ago, the FDA announced the creation of a new Drug Safety Oversight Board to monitor the safety of prescription and over-the-counter drugs on the market more effectively. This new board is aimed at eliminating the conflict of interest found under the current CDER structure as disclosed by Dr. Graham.

Other examples of whistle blowers who uncovered government mismanagement and threats to public safety include: Ms. Colleen Rowley who disclosed institutional problems at the Federal Bureau of Investigation prior to 2001 which affected national security, Mr. Richard Foster, who sought to disclose the actual cost of pending Medicare legislation to Congress, and Border Patrol Agents Mark Hall and Bob Lindemann, who revealed security lapses at our northern border immediately after September 11, 2001.

In spite of the positive changes resulting from their disclosures, we are concerned that the very public struggles these individuals have endured after alerting Americans to waste, fraud, abuse, and security and health violations in the Federal Government may discourage others from coming forward. The root of these struggles lies in part with problems with the current legal structure and interpretation of the Whistleblower Protection Act. As a result of recent court decisions, legitimate whistleblowers have been denied adequate protection from retaliatory I practices. In fact, Federal whistleblowers have prevailed on the merits of their claims before the Federal Circuit Court of Appeals, which has sole jurisdiction over Federal employee whistleblower appeals, only once since 1994.

To address these issues, our legislation would clarify congressional intent regarding the scope of protection provided to whistleblowers; provide for an independent determination as to whether a whistleblower was retaliated against by the revocation of his or her security clearance; establish a pilot program to suspend the Federal Circuit Court of Appeals' monopoly on Federal employee whistleblower cases for a period of five years; and provide the Office of Special Counsel, which is charged with representing the interests of Federal whistleblowers, the authority to file amicus briefs with federal courts in support of whistleblowers.

Several of the provisions in the legislation reflect our efforts to address concerns raised by the Justice Department. While the Department still has objections to the intent of the legislation, partially because of its role in representing the interests of the alleged retaliatory agencies, I will continue to work with the Department. I am optimistic that we can reach an agreement on this good government measure in the near future.

Congress has a duty to provide strong and meaningful protections for Federal whistleblowers. Only when Federal employees are confident that they will not face retaliation will they feel comfortable coming forward to disclose information that can be used to improve government operations, our national security, and the health of our citizens. I look forward to working with my colleagues to make this goal a reality.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD as follows:

S. 494

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PROTECTION OF CERTAIN DISCLOSURES OF INFORMATION BY FEDERAL EMPLOYEES.

(a) SHORT TITLE.—This Act may be cited as the ''Federal Employee Protection of Disclosures Act''.

(b) CLARIFICATION OF DISCLOSURES COVERED.—Section 2302(b)(8) of title 5, United States Code, is amended—

(1) in subparagraph (A)—

(A) by striking ''which the employee or applicant reasonably believes evidences'' and inserting '', without restriction to time, place, form, motive, context, or prior disclosure made to any person by an employee or applicant, including a disclosure made in the ordinary course of an employee's duties, that the employee or applicant reasonably believes is evidence of''; and

(B) in clause (i), by striking ''a violation'' and inserting ''any violation'';

(2) in subparagraph (B)—

(A) by striking ''which the employee or applicant reasonably believes evidences'' and inserting '', without restriction to time, place, form, motive, context, or prior disclosure made to any person by an employee or applicant, including a disclosure made in the ordinary course of an employee's duties, of information that the employee or applicant reasonably believes is evidence of''; and

(B) in clause (i), by striking ''a violation'' and inserting ''any violation (other than a violation of this section)''; and

(3) by adding at the end the following:

''(C) any disclosure that—

''(i) is made by an employee or applicant of information required by law or Executive order to be kept secret in the interest of national defense or the conduct of foreign affairs that the employee or applicant reasonably believes is direct and specific evidence of—

''(I) any violation of any law, rule, or regulation;

''(II) gross mismanagement, a gross waste of funds, an abuse of authority, or a substantial and specific danger to public health or safety; or

''(III) a false statement to Congress on an issue of material fact; and

''(ii) is made to—

''(I) a member of a committee of Congress having a primary responsibility for oversight of a department, agency, or element of the Federal Government to which the disclosed information relates and who is authorized to receive information of the type disclosed;

''(II) any other Member of Congress who is authorized to receive information of the type disclosed; or

''(III) an employee of Congress who has the appropriate security clearance and is authorized to receive information of the type disclosed.''.

(c) COVERED DISCLOSURES.—Section 2302(a)(2) of title 5, United States Code, is amended—

(1) in subparagraph (B)(ii), by striking ''and'' at the end;

(2) in subparagraph (C)(iii), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(D) 'disclosure' means a formal or informal communication or transmission, but does not include a communication concerning policy decisions that lawfully exercise discretionary authority unless the employee providing the disclosure reasonably believes that the disclosure evidences—

''(i) any violation of any law, rule, or regulation; or

''(ii) gross management, a gross waste of funds, an abuse of authority, or a substantial and specific danger to public health or safety.''.

(d) REBUTTABLE PRESUMPTION.—Section 2302(b) of title 5, United States Code, is amended by amending the matter following paragraph (12) to read as follows:

''This subsection shall not be construed to authorize the withholding of information from Congress or the taking of any personnel action against an employee who discloses information to Congress, except that an employee or applicant may be disciplined for the disclosure of information described in paragraph (8)(C)(i) to a Member or employee of Congress who is not authorized to receive such information. For purposes of paragraph (8), any presumption relating to the performance of a duty by an employee who has authority to take, direct others to take, recommend, or approve any personnel action may be rebutted by substantial evidence. For purposes of paragraph (8), a determination as to whether an employee or applicant reasonably believes that they have disclosed information that evidences any violation of law, rule, regulation, gross mismanagement, a gross waste of funds, an abuse of authority, or a substantial and specific danger to public health or safety shall be made by determining whether a disinterested observer with knowledge of the essential facts known to and readily ascertainable by the employee would reasonably conclude that the actions of the Government evidence such violations, mismanagement, waste, abuse, or danger.''.

(e) NONDISCLOSURE POLICIES, FORMS, AND AGREEMENTS; SECURITY CLEARANCES; AND RETALIATORY INVESTIGATIONS.—

(1) PERSONNEL ACTION.—Section 2302(a)(2)(A) of title 5, United States Code, is amended—

(A) in clause (x), by striking ''and'' after the semicolon; and

(B) by redesignating clause (xi) as clause (xiv) and inserting after clause (x) the following:

''(xi) the implementation or enforcement of any nondisclosure policy, form, or agreement;''.

''(xii) a suspension, revocation, or other determination relating to a security clearance or any other access determination by a covered agency;

''(xiii) an investigation, other than any ministerial or nondiscretionary fact finding activities necessary for the agency to perform its mission, of an employee or applicant for employment because of any activity protected under this section; and''.

(2) PROHIBITED PERSONNEL PRACTICE.—Section 2302(b) of title 5, United States Code, is amended—

(A) in paragraph (11), by striking ''or'' at the end;

(B) in paragraph (12), by striking the period and inserting a semicolon; and

(C) by inserting after paragraph (12) the following:

''(13) implement or enforce any nondisclosure policy, form, or agreement, if such policy, form, or agreement does not contain the following statement: 'These provisions are consistent with and do not supersede, conflict with, or otherwise alter the employee obligations, rights, or liabilities created by Executive Order No. 12958; section 7211 of title 5, United States Code (governing disclosures to Congress); section 1034 of title 10, United States Code (governing disclosure to Congress by members of the military); section 2302(b)(8) of title 5, United States Code (governing disclosures of illegality, waste, fraud, abuse, or public health or safety threats); the Intelligence Identities Protection Act of 1982 (50 U.S.C. 421 et seq.) (governing disclosures that could expose confidential Government agents); and the statutes which protect against disclosures that could compromise national security, including sections 641, 793, 794, 798, and 952 of title 18, United States Code, and section 4(b) of the Subversive Activities Control Act of 1950 (50 U.S.C. 783(b)). The definitions, requirements, obligations, rights, sanctions, and liabilities created by such Executive order and such statutory provisions are incorporated into this agreement and are controlling'; or

''(14) conduct, or cause to be conducted, an investigation, other than any ministerial or nondiscretionary fact finding activities necessary for the agency to perform its mission, of an employee or applicant for employment because of any activity protected under this section.''.

(3) BOARD AND COURT REVIEW OF ACTIONS RELATING TO SECURITY CLEARANCES.—

(A) IN GENERAL.—Chapter 77 of title 5, United States Code, is amended by inserting after section 7702 the following:

''§ 7702a. Actions relating to security clearances

''(a) In any appeal relating to the suspension, revocation, or other determination relating to a security clearance or access determination, the Merit Systems Protection Board or any reviewing court—

''(1) shall determine whether paragraph (8) or (9) of section 2302(b) was violated;

''(2) may not order the President or the designee of the President to restore a security clearance or otherwise reverse a determination of clearance status or reverse an access determination; and

''(3) subject to paragraph (2), may issue declaratory relief and any other appropriate relief.

''(b)(1) If, in any final judgment, the Board or court declares that any suspension, revocation, or other determination with regards

to a security clearance or access determination was made in violation of paragraph (8) or (9) of section 2302(b), the affected agency shall conduct a review of that suspension, revocation, access determination, or other determination, giving great weight to the Board or court judgment.

''(2) Not later than 30 days after any Board or court judgment declaring that a security clearance suspension, revocation, access determination, or other determination was made in violation of paragraph (8) or (9) of section 2302(b), the affected agency shall issue an unclassified report to the congressional committees of jurisdiction (with a classified annex if necessary), detailing the circumstances of the agency's security clearance suspension, revocation, other determination, or access determination. A report under this paragraph shall include any proposed agency action with regards to the security clearance or access determination.

''(c) An allegation that a security clearance or access determination was revoked or suspended in retaliation for a protected disclosure shall receive expedited review by the Office of Special Counsel, the Merit Systems Protection Board, and any reviewing court.

''(d) For purposes of this section, corrective action may not be ordered if the agency demonstrates by a preponderance of the evidence that it would have taken the same personnel action in the absence of such disclosure.''.

(B) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 77 of title 5, United States Code, is amended by inserting after the item relating to section 7702 the following:

''7702a. Actions relating to security clearances.''.

(f) EXCLUSION OF AGENCIES BY THE PRESIDENT.—Section 2302(a)(2)(C) of title 5, United States Code, is amended by striking clause (ii) and inserting the following:

''(ii)(I) the Federal Bureau of Investigation, the Central Intelligence Agency, the Defense Intelligence Agency, the National Imagery and Mapping Agency, the National Security Agency; and

''(II) as determined by the President, any executive agency or unit thereof the principal function of which is the conduct of foreign intelligence or counterintelligence activities, if the determination (as that determination relates to a personnel action) is made before that personnel action; or''.

(g) ATTORNEY FEES.—Section 1204(m)(1) of title 5, United States Code, is amended by striking ''agency involved'' and inserting ''agency where the prevailing party is employed or has applied for employment''.

(h) DISCIPLINARY ACTION.—Section 1215(a)(3) of title 5, United States Code, is amended to read as follows:

''(3)(A) A final order of the Board may impose—

''(i) disciplinary action consisting of removal, reduction in grade, debarment from Federal employment for a period not to exceed 5 years, suspension, or reprimand;

''(ii) an assessment of a civil penalty not to exceed $1,000; or

''(iii) any combination of disciplinary actions described under clause (i) and an assessment described under clause (ii).

''(B) In any case in which the Board finds that an employee has committed a prohibited personnel practice under paragraph (8) or (9) of section 2302(b), the Board shall impose disciplinary action if the Board finds that the activity protected under paragraph (8) or (9) of section 2302(b) was a significant motivating factor, even if other factors also motivated the decision, for the employee's decision to take, fail to take, or threaten to take or fail to take a personnel action, unless that employee demonstrates, by preponderance of evidence, that the employee would have taken, failed to take, or threatened to take or fail to take the same personnel action, in the absence of such protected activity.''.

(i) SPECIAL COUNSEL AMICUS CURIAE APPEARANCE.—Section 1212 of title 5, United States Code, is amended by adding at the end the following:

''(h)(1) The Special Counsel is authorized to appear as amicus curiae in any action brought in a court of the United States related to any civil action brought in connection with section 2302(b) (8) or (9), or subchapter III of chapter 73, or as otherwise authorized by law. In any such action, the Special Counsel is authorized to present the views of the Special Counsel with respect to compliance with section 2302(b) (8) or (9) or subchapter III of chapter 77 and the impact court decisions would have on the enforcement of such provisions of law.

''(2) A court of the United States shall grant the application of the Special Counsel to appear in any such action for the purposes described in subsection (a).''.

(j) JUDICIAL REVIEW.—

(1) IN GENERAL.—Section 7703(b)(1) of title 5, United States Code, is amended to read as follows:

''(b)(1)(A) Except as provided in subparagraph (B) and paragraph (2), a petition to review a final order or final decision of the Board shall be filed in the United States Court of Appeals for the Federal Circuit. Notwithstanding any other provision of law, any petition for review must be filed within 60 days after the date the petitioner received notice of the final order or decision of the Board.

''(B) During the 5-year period beginning on the effective date of the Federal Employee Protection of Disclosures Act, a petition to review a final order or final decision of the Board in a case alleging a violation of paragraph (8) or (9) of section 2302(b) shall be filed in the United States Court of Appeals for the Federal Circuit or any court of appeals of competent jurisdiction as provided under subsection (b)(2).''.

(2) REVIEW OBTAINED BY OFFICE OF PERSONNEL MANAGEMENT.—Section 7703(d) of title 5, United States Code, is amended to read as follows:

''(d)(1) Except as provided under paragraph (2), this paragraph shall apply to any review obtained by the Director of the Office of Personnel Management. The Director of the Office of Personnel Management may obtain review of any final order or decision of the Board by filing, within 60 days after the date the Director received notice of the final order or decision of the Board, a petition for judicial review in the United States Court of Appeals for the Federal Circuit if the Director determines, in his discretion, that the Board erred in interpreting a civil service law, rule, or regulation affecting personnel management and that the Board's decision will have a substantial impact on a civil service law, rule, regulation, or policy directive. If the Director did not intervene in a matter before the Board, the Director may not petition for review of a Board decision under this section unless the Director first petitions the Board for a reconsideration of its decision, and such petition is denied. In addition to the named respondent, the Board and all other parties to the proceedings before the Board shall have the right to appear in the proceeding before the Court of Appeals. The granting of the petition for judicial review shall be at the discretion of the Court of Appeals.

''(2) During the 5-year period beginning on the effective date of the Federal Employee Protection of Disclosures Act, this paragraph shall apply to any review relating to paragraph (8) or (9) of section 2302(b) obtained by the Director of the Office of Personnel Management. The Director of the Office of Personnel Management may obtain review of any final order or decision of the Board by filing, within 60 days after the date the Director received notice of the final order or decision of the Board, a petition for judicial review in the United States Court of Appeals for the Federal Circuit or any court of appeals of competent jurisdiction as provided under subsection (b)(2) if the Director determines, in his discretion, that the Board erred in interpreting paragraph (8) or (9) of section 2302(b). If the Director did not intervene in a matter before the Board, the Director may not petition for review of a Board decision under this section unless the Director first petitions the Board for a reconsideration of its decision, and such petition is denied. In addition to the named respondent, the Board and all other parties to the proceedings before the Board shall have the right to appear in the proceeding before the court of appeals. The granting of the petition for judicial review shall be at the discretion of the Court of Appeals.''.

(k) NONDISCLOSURE POLICIES, FORMS, AND AGREEMENTS.—

(1) IN GENERAL.—

(A) REQUIREMENT.—Each agreement in Standard Forms 312 and 4414 of the Government and any other nondisclosure policy, form, or agreement of the Government shall contain the following statement: ''These restrictions are consistent with and do not supersede, conflict with, or otherwise alter the employee obligations, rights, or liabilities created by Executive Order No. 12958; section 7211 of title 5, United States Code (governing disclosures to Congress); section 1034 of title 10, United States Code (governing disclosure to Congress by members of the military); section 2302(b)(8) of title 5, United States Code (governing disclosures of illegality, waste, fraud, abuse or public health or safety threats); the Intelligence Identities Protection Act of 1982 (50 U.S.C. 421 et seq.) (governing disclosures that could expose confidential Government agents); and the statutes which protect against disclosure that may compromise the national security, including sections 641, 793, 794, 798, and 952 of title 18, United States Code, and section 4(b) of the Subversive Activities Act of 1950 (50 U.S.C. 783(b)). The definitions, requirements, obligations, rights, sanctions, and liabilities created by such Executive order and such statutory provisions are incorporated into this agreement and are controlling.''.

(B) ENFORCEABILITY.—Any nondisclosure policy, form, or agreement described under subparagraph (A) that does not contain the statement required under subparagraph (A) may not be implemented or enforced to the extent such policy, form, or agreement is inconsistent with that statement.

(2) PERSONS OTHER THAN GOVERNMENT EMPLOYEES.—Notwithstanding paragraph (1), a nondisclosure policy, form, or agreement that is to be executed by a person connected with the conduct of an intelligence or intelligence-related activity, other than an employee or officer of the United States Government, may contain provisions appropriate to the particular activity for which such document is to be used. Such form or agreement

shall, at a minimum, require that the person will not disclose any classified information received in the course of such activity unless specifically authorized to do so by the United States Government. Such nondisclosure forms shall also make it clear that such forms do not bar disclosures to Congress or to an authorized official of an executive agency or the Department of Justice that are essential to reporting a substantial violation of law.

(l) CLARIFICATION OF WHISTLEBLOWER RIGHTS FOR CRITICAL INFRASTRUCTURE INFORMATION.—Section 214(c) of the Homeland Security Act of 2002 (6 U.S.C. 133(c)) is amended by adding at the end the following: ''For purposes of this section a permissible use of independently obtained information includes the disclosure of such information under section 2302(b)(8) of title 5, United States Code.''.

(m) ADVISING EMPLOYEES OF RIGHTS.—Section 2302(c) of title 5, United States Code, is amended by inserting '', including how to make a lawful disclosure of information that is specifically required by law or Executive order to be kept secret in the interest of national defense or the conduct of foreign affairs to the Special Counsel, the Inspector General of an agency, Congress, or other agency employee designated to receive such disclosures'' after ''chapter 12 of this title''.

(n) SCOPE OF DUE PROCESS.—

(1) SPECIAL COUNSEL.—Section 1214(b)(4)(B)(ii) of title 5, United States Code, is amended by inserting '', after a finding that a protected disclosure was a contributing factor,'' after ''ordered if''.

(2) INDIVIDUAL ACTION.—Section 1221(e)(2) of title 5, United States Code, is amended by inserting '', after a finding that a protected disclosure was a contributing factor,'' after ''ordered if''.

(o) EFFECTIVE DATE.—This Act shall take effect 30 days after the date of enactment of this Act.

By Mr. CORZINE (for himself, Mr. BROWNBACK, Mr. DODD, Mr. DURBIN, Mr. FEINGOLD, Mr. LIEBERMAN, Mr. TALENT, Mr. DEWINE, and Mr. COBURN):

S. 495. A bill to impose sanctions against perpetrators of crimes against humanity in Darfur, Sudan, and for other purposes; to the Committee on Foreign Relations.

Mr. CORZINE. Mr. President, I rise to talk about the Darfur Accountability Act. This is an issue that I and a number of my colleagues have as much passion about and as much conviction and concern as anything that we could speak about on this floor. As we stand here today, 225,000, maybe more, Darfurians in the Sudan have died over the last 2 years. A million and three quarters are displaced, living in camps. Senator BROWNBACK is a cosponsor of the Darfur Accountability Act, along with Senators DEWINE, TALENT, DODD, DURBIN, FEINGOLD, and LIEBERMAN—a bipartisan basis. All believe strongly and passionately that we need to act now.

This bill, which we will be introducing today, provides the tools, the authorities to confront the crisis of humanity that is taking place in Darfur. It can be a reflection of our Nation's commitment to live up to the most solemn promise of our time and our Nation's values—to never stand by quietly while genocide goes forth, while genocide rages in a part of the world. ''Never again'' is the rallying cry we have all heard from the tragedy of World War II, from the response and understanding of the tragedy of Rwanda and genocides across history. Man's horrific treatment of his fellow man in genocide must be stood up against, must be pushed back against. We must say no.

It has been more than 7 months since the resolution introduced by Senator BROWNBACK and myself declaring the atrocities in Darfur to be declared genocide passed the Senate. It has been more than 7 months since the House of Representatives passed a similar resolution. And it has been 6 months since Secretary of State Colin Powell made the same declaration.

Genocide continues. Just 1 month ago a U.N. commission confirmed a litany of atrocities that have become all too familiar in this situation:

> Government forces and militias conducted indiscriminate attacks, including killing of civilians, torture, enforced disappearances, destruction of villages, rape and other forms of sexual violence, pillaging and forced displacement throughout Darfur.

It has been going on for 2 years. The report stated that the atrocities were ''conducted on a widespread and systematic basis,'' and that the ''magnitude and large-scale nature of some crimes against humanity, as well as their consistency over a long period of time, necessarily imply that these crimes result from a central planning operation.''

This is public policy in the Sudan—public policy. Maybe more compelling is a series of articles, two of which I will put into the RECORD, that are reflective of the public and transparent and dogged coverage by a New York Times columnist, Nicholas Kristof, which document completely the nature of the atrocities going on, including, unfortunately, some of the pictorial efforts that bring forth the certainty that genocide is taking place.

I will submit a column written on February 23, ''The Secret Genocide Archive,'' which carries pictures in the New York Times of some of the outcomes of our failure to act. Then there is a second column which I will put into the RECORD. It is in today's paper, March 2, 2005, ''The American Witness,'' where a U.S. marine on the ground, a captain in the Marine Corps, is citing and stating and documenting the continuation of this tragedy in the lives of these people in Darfur.

I ask unanimous consent that these articles be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Mar. 2, 2005]

THE AMERICAN WITNESS

(By Nicholas D. Kristof)

American soldiers are trained to shoot at the enemy. They're prepared to be shot at. But what young men like Brian Steidle are not equipped for is witnessing a genocide but being unable to protect the civilians pleading for help.

If President Bush wants to figure out whether the U.S. should stand more firmly against the genocide in Darfur, I suggest that he invite Mr. Steidle to the White House to give a briefing. Mr. Steidle, a 28-year-old former Marine captain, was one of just three American military advisers for the African Union monitoring team in Darfur—and he is bursting with frustration.

''Every single day you go out to see another burned village, and more dead bodies,'' he said. ''And the children—you see 6-month-old babies that have been shot, and 3-year-old kids with their faces smashed in with rifle butts. And you just have to stand there and write your reports.''

While journalists and aid workers are sharply limited in their movements in Darfur, Mr. Steidle and the monitors traveled around by truck and helicopter to investigate massacres by the Sudanese government and the janjaweed militia it sponsors. They have sometimes been shot at, and once his group was held hostage, but they have persisted and become witnesses to systematic crimes against humanity.

So is it really genocide?

''I have no doubt about that,'' Mr. Steidle said. ''It's a systematic cleansing of peoples by the Arab chiefs there. And when you talk to them, that's what they tell you. They're very blunt about it. One day we met a janjaweed leader and he said, 'Unless you get back four camels that were stolen in 2003, then we're going to go to these four villages and burn the villages, rape the women, kill everyone.' And they did.''

The African Union doesn't have the troops, firepower or mandate to actually stop the slaughter, just to monitor it. Mr. Steidle said his single most frustrating moment came in December when the Sudanese government and the janjaweed attacked the village of Labado, which had 25,000 inhabitants. Mr. Steidle and his unit flew to the area in helicopters, but a Sudanese general refused to let them enter the village—and also refused to stop the attack.

''It was extremely frustrating—seeing the village burn, hearing gunshots, not being able to do anything,'' Mr. Steidle said. ''The entire village is now gone. It's a big black spot on the earth.''

When Sudan's government is preparing to send bombers or helicopter gunships to attack an African village, it shuts down the cell phone system so no one can send out warnings. Thus the international monitors know when a massacre is about to unfold. But there's usually nothing they can do.

The West, led by the Bush administration, is providing food and medical care that is keeping hundreds of thousands of people alive. But we're managing the genocide, not halting it.

''The world is failing Darfur,'' said Jan Egeland, the U.N. under secretary general for humanitarian affairs. ''We're only playing the humanitarian card, and we're just witnessing the massacres.''

President Bush is pushing for sanctions, but European countries like France are disgracefully cool to the idea—and China is downright hostile, playing the same supportive role for the Darfur genocide that it did for the Khmer Rouge genocide.

Mr. Steidle has just quit his job with the African Union, but he plans to continue working in Darfur to do his part to stand up to the killers. Most of us don't have to go to that extreme of risking our lives in Darfur—we just need to get off the fence and push our government off, too.

At one level, I blame President Bush—and, even more, the leaders of European, Arab and African nations—for their passivity. But if our leaders are acquiescing in genocide, that's because we citizens are passive, too. If American voters cared about Darfur's genocide as much as about, say, the Michael Jackson trial, then our political system would respond. One useful step would be the passage of the Darfur Accountability Act, to be introduced today by Senators Jon Corzine and Sam Brownback. The legislation calls for such desperately needed actions as expanding the African Union force and establishing a military no-fly zone to stop Sudan from bombing civilians.

As Martin Luther King Jr. put it: ''Man's inhumanity to man is not only perpetrated by the vitriolic actions of those who are bad. It is also perpetrated by the vitiating inaction of those who are good.''

Mr. CORZINE. Mr. President, we are truly at a historic moment. The U.N. Commission confirmed that these atrocities were continuing even as it was doing its investigation. By the way, we just released from the U.S. State Department a report on human rights practices in countries around the world. The February 28 report reconfirmed our own Government's view that what is taking place is genocide.

We bear the responsibility that came out of the Holocaust to remember the horrors that lead to genocide. That is why we passed the genocide convention, and it is time to act. That is what this accountability act is all about. It has a lot of detail in it. But the fact is, it is to get us up and moving. I could use a little more graphic language. We have no right to stand by while human life is being taken day after day and displacement is taking place day after day. All over this country, people of faith of all denominations, student groups, and people from all walks of life are speaking out about this in our churches, our community centers, everywhere. They expect our Government and the international community to act. The time to act is now.

Let me describe the legislation, if I may. First, it reconfirms that genocide continues in Darfur. Last week, Human Rights reported new accounts of rapes, tortures, and mutilations from eyewitnesses. This needs to be dealt with. There is little doubt whatsoever that this continues. Again, I refer to the Kristof articles, which are very graphic in their explanation. Reflecting on time, I will not go through the details. There are many of these accounts.

There is no reason to turn our backs on this issue. Remember the imperative: Never again. This legislation offers specifics about how the genocide should be stopped. It calls for a military no-fly zone in Darfur. This discussion about no-fly zones has been going on for the better part of a year. It is time to make sure that we as an international community, as a nation, stand up and say, let's implement that.

Recent reports state that as recently as January, the Government of Sudan used aircraft and helicopters to impose its desire in implementing its genocide on the people of Darfur along with the jingaweit militia, which are notorious about implementing this.

The legislation also lays out the report for the African Union mission in Darfur. In September of last year, the Senate passed an amendment by Senator DEWINE and myself that sets aside $75 million in aid to the African Union so they could accelerate their monitoring and assistance on the ground in Darfur. So far, we have begun to use some of those resources. I think at this point it is about $20 million. Unfortunately, the authorization was for 3,300 African Union troops on the ground, but there are about 1,800 there today. This is 7 months after our efforts to get this done. We need to stop the killing now. That means we need to get the troops on the ground now; we have to spend the money now. It is absolutely time that we stand up and take notice and move on this issue.

The legislation also provides specifics about what should be done in a new U.N. Security Council resolution, including sanctions that have previously been threatened by the council but never imposed. For instance, we have an arms embargo against the government in Darfur. We don't have an arms embargo against the Government of Sudan. We have one in Darfur. So they can get the guns and military equipment into Khartoum, and I guess we think somehow they are not going to use it where they are actually taking the lives of the people in Darfur. It is crazy that we have such a limited and ineffectual arms embargo on Sudan. We need to act. It is clear that we needed it last summer, and it is clear that we need it today.

I was offered the opportunity to visit Darfur last August during that 30-day period when the U.N. Security Council was examining whether Sudan was moving to correct some of the problems, get control of the jingaweit, and actually respond to the international community's imperative that they change their actions. It was clear then that the only thing that was moving the Sudanese Government was the transparency that both journalists and the international community were providing the people who were on the ground, but they had no real interest in stopping the jingaweit or the tragedy on the ground in Darfur. None. It was only pressure from the outside that was going to have any impact on moving forward.

Unfortunately, from that moment on, we have stepped back. We said we were going to do things, and we did not. Guess what. The tragedy continues and has accelerated in many places, particularly south Darfur. It is time to act.

I will save going through the rest of the pieces of legislation, but I hope my colleagues will keep in mind that we have had over 200,000 deaths and one and three-quarter million people displaced, more or less. Nobody is certain of the numbers. Estimates are that 10,000 people die a month in Darfur. Do we have to wake up and understand that we have ''Rwanda 2'' on our hands to act? Do we have to have some incredible tragedy at a single point in time for us to act? It is time to put down serious accountability requirements on the Government of Sudan and to act to stop the killing in Darfur. I can only say that there is nothing that reflects our moral values in this country more than standing up to genocide. Our humanity is being challenged, the very essence of who we are as human beings. Genocide is evil. It should be stopped, and we should remember the imperative: Never again.

I yield the floor.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. DURBIN. Mr. President, let me salute the Senator from New Jersey, Mr. CORZINE, as well as Senator BROWNBACK, a Democrat and a Republican, one from the east coast and another from the Midwest, for bringing to the Senate floor today the issue of Darfur. They have been leaders in this issue. I can recall Senator CORZINE as the first Member of the Senate standing up and making a point many months ago about the senseless killing going on in the Sudan and the fact that the United States could not turn a blind eye to this issue. He returned to the floor today with the same message. I commend him for his humanitarian commitment to the poor people who are losing their lives in this conflict.

A little over a week ago in Chicago, IL, we had the visit of a rather famous man. He was a man who none of us knew and, frankly, could not even pronounce his name. He came to tell a story. His name is Paul Rusesabagina. He is the manager of the hotel in Hotel Rwanda, which has become a very famous film. He had a luxury hotel in Rwanda in the midst of the terrible genocide. Because of his personal courage and the fact that he was willing to stand up, he saved over 1,200 lives of people who sought refuge in the hotel, who otherwise would have been hacked to death by machete during the Rwanda genocide. He came to Chicago, to St. Sabinas Church on the South Side, where Father Michael Flager was his host. He told the story of Rwanda. It wasn't just a reminiscence of history; he told us that we needed to look today to the genocides we face in the world. He pointed specifically to Darfur in Sudan.

He asked us what was asked of many during the Rwanda genocide: What will you do now that you know that innocent people are being killed by the hundreds of thousands? What will you do? Will you ignore it because it is so far away? Will you ignore it because it is Africa? Will you ignore it because it may call for sacrifice on the part of U.S. leadership?

It is a challenge he made to us, an interesting challenge from a man who literally risked his life to save others during a genocide. He asked us, in our comfort in America, whether we were willing to risk anything to save these victims in Darfur. He touched my soul, and I told him that when I get back to Washington, I will take to the floor of the Senate and raise this issue as often as I can. I will try everything I can find to move the United States into a stronger position of leadership.

Yesterday, President Bush invited about 20 leaders in Congress to the White House for a briefing on his trip to Europe. It was an excellent briefing. We were allowed to ask questions at the end. I asked the President, with Steven Hadley close at hand: What are we going to do about Darfur? Sadly, the response was what I have heard over and over again from so many different sources: We are going to count on the African Union, a group of soldiers from Africa who are moving into the region. How many soldiers are moving into this region where helpless people are being killed? Their best estimates are 3,000 soldiers. How big is this region? It is about the size of the State of Texas. How in the world can we expect to have an impact on this senseless killing?

That is why I am supporting this Darfur Accountability Act. This bill we are pushing seeks to prod the world to do what it needs to do to stop the genocide in Sudan. ''Genocide'' is a word this is rarely used in human history. There have been genocides against the Armenian people and the Jewish people during the Holocaust, perhaps in Pol Pot's times in Cambodia, and other times we can point to. Rarely do we use the word. It is a word that is freighted with responsibility. You cannot just say there is genocide in some part of the world and isn't that a shame. We signed a genocide treaty that said once we detect a genocide, we go to international organizations—the United States does—and demand action. So using the word ''genocide,'' as the Bush administration has done, is a good thing because it prods us to do something, but it is a challenge that we must meet on something this timely and important.

This act calls for the United States to call on the United Nations to immediately take action in Darfur. Some will say, well, that is pointless; Russia and China will veto that action in the Security Council. Regardless, we should force the issue to a vote. We should confront the Russians and the Chinese and ask them what they would do in light of this senseless killing.

The horrific stories keep piling up. The jingaweit, the armed militias, running amok in Darfur are killing innocent people right and left. Sudanese aircraft strafed a village in southern Darfur, killing more than 100 men, women, and children, in January, according to Human Rights Watch. The world has witnessed this in Darfur. We know it has happened. We must do something about it. That is why I join my colleague in this request that we take action now, move this Darfur Accountability Act, join Senator CORZINE, join Senator BROWNBACK, and make this happen.

Let me also say this. My closest friend in politics was Paul Simon, who preceded me in the Senate. He spoke out on the Rwandan genocide when very few did. He called on the Clinton administration to do something, and they did not. They look back now with sorrow and some shame that they did not. President Clinton has said that. We do not want to be in that same situation.

The United States should not be a guilty bystander in this genocide. We will be guilty if we do not act. We will be bystanders if we come up with excuses to do nothing. We need to take the risk to save these people, as Paul Rusesabagina did in Rwanda. We can step in today and save and protect innocent lives, call on the United Nations to act, and if they fail to act, take the next step, even if it involves commitments from the United States which may not be immediately popular.

I think the American people will understand. We are a compassionate, caring people who will not stand idly by in the face of a genocide as we did during Rwanda.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 495

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Darfur Accountability Act of 2005''.

SEC. 2. DEFINITIONS.

In this Act:

(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term ''appropriate congressional committees'' means the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives.

(2) GOVERNMENT OF SUDAN.—The term ''Government of Sudan'' means the National Congress Party-led government in Khartoum, Sudan, or any successor government formed on or after the date of the enactment of this Act.

(3) MEMBER STATES.—The term ''member states'' means the member states of the United Nations.

(4) SUDAN NORTH-SOUTH PEACE AGREEMENT.—The term ''Sudan North-South Peace Agreement'' means the comprehensive peace agreement signed by the Government of Sudan and the Sudan People's Liberation Army/Movement on January 9, 2005.

(5) THOSE NAMED BY THE UN COMMISSION.—The term ''those named by the UN Commission'' means those individuals whose names appear in the sealed file delivered to the Secretary General of the United Nations by the International Commission of Inquiry on Darfur to the United Nations Secretary General.

(6) UN COMMISSION.—The term ''UN Commission'' means the International Commission of Inquiry on Darfur to the United Nations Secretary General.

SEC. 3. FINDINGS.

Congress makes the following findings:

(1) On July 22, 2004, the House of Representatives and the Senate declared that the atrocities occurring in Darfur, Sudan are genocide.

(2) On September 9, 2004, Secretary of State Colin L. Powell stated before the Committee on Foreign Relations of the Senate, ''[w]hen we reviewed the evidence compiled by our team, along with other information available to the State Department, we concluded that genocide has been committed in Darfur and that the Government of Sudan and the [Janjaweed] bear responsibility—and genocide may still be occurring''.

(3) President George W. Bush, in an address before the United Nations General Assembly on September 21, 2004, stated, ''[a]t this hour, the world is witnessing terrible suffering and horrible crimes in the Darfur region of Sudan, crimes my government has concluded are genocide''.

(4) On July 30, 2004, the United Nations Security Council passed Security Council Resolution 1556, calling upon the Government of Sudan to disarm the Janjaweed militias and to apprehend and bring to justice Janjaweed leaders and their associates who have incited and carried out violations of human rights and international humanitarian law and carried out other atrocities in the Darfur region.

(5) On September 18, 2004, the United Nations Security Council passed Security Council Resolution 1564, determining that the Government of Sudan had failed to meet its obligations under Security Council Resolution 1556, calling for a military flight ban in and over the Darfur region, demanding the names of Janjaweed militiamen disarmed and arrested for verification, establishing an International Commission of Inquiry into violations of international humanitarian and human rights laws, and threatening sanctions should the Government of Sudan fail to fully comply with Security Council Resolutions 1556 and 1564.

(6) United Nations Security Council Resolution 1564 declares that if the Government of Sudan ''fails to comply fully'' with Security Council Resolutions 1556 and 1564, the Security Council shall consider taking ''additional measures'' against the Government of Sudan ''as contemplated in Article 41 of the Charter of the United Nations, such as actions to affect Sudan's petroleum sector or individual members of the Government of Sudan, in order to take effective action to obtain such full compliance and cooperation''.

(7) United Nations Security Council Resolution 1564 also ''welcomes and supports the

intention of the African Union to enhance and augment its monitoring mission in Darfur'' and ''urges member states to support the African Union in these efforts, including by providing all equipment, logistical, financial, material, and other resources necessary to support the rapid expansion of the African Union Mission''.

(8) On February 1, 2005, the United Nations released the Report of the International Commission of Inquiry on Darfur to the United Nations Secretary-General, dated January 25, 2005, which stated that, ''[g]overnment forces and militias conducted indiscriminate attacks, including killing of civilians, torture, enforced disappearances, destruction of villages, rape and other forms of sexual violence, pillaging and forced displacement throughout Darfur'', that such ''acts were conducted on a widespread and systematic basis, and therefore may amount to crimes against humanity'', and that the ''magnitude and large-scale nature of some crimes against humanity as well as their consistency over a long period of time, necessarily imply that these crimes result from a central planning operation''.

(9) The Report of the International Commission of Inquiry on Darfur to the United Nations Secretary-General notes that, pursuant to its mandate and in the course of its work, the UN Commission collected information relating to individual perpetrators of acts constituting ''violations of international human rights law and international humanitarian law, including crimes against humanity and war crimes'' and that the UN Commission has delivered to the Secretary-General of the United Nations a sealed file of those named by the UN Commission with the recommendation that the ''file be handed over to a competent Prosecutor''.

SEC. 4. SENSE OF CONGRESS.

It is the sense of Congress that—

(1) the atrocities unfolding in Darfur, Sudan, have been and continue to be genocide;

(2) the United States should immediately seek passage at the United Nations Security Council of a resolution that—

(A) requires member states to freeze the property and assets of, deny visas to, and deny entry to—

(i) those named by the UN Commission;

(ii) family members of those named by the UN Commission; and

(iii) any associates of those named by the UN Commission to whom assets or property of those named by the UN Commission were transferred on or after June 11, 2004;

(B) urges member states to submit to the Security Council the name of any individual that the government of any such member state believes is or has been planning, carrying out, responsible for, or otherwise involved in genocide, war crimes, or crimes against humanity in Darfur, along with evidence supporting such belief so that the Security Council may consider imposing sanctions described in subparagraph (A) against those individuals described in such subparagraph;

(C) imposes sanctions or additional measures against the Government of Sudan, including sanctions that will affect the petroleum sector in Sudan, individual members of the Government of Sudan, and entities controlled or owned by officials of the government of Sudan or the National Congress Party in Sudan, that will remain in effect until such time as—

(i) humanitarian organizations are granted full, unimpeded access to Darfur;

(ii) the Government of Sudan cooperates with humanitarian relief efforts, carries out activities to demobilize and disarm Janjaweed militias and any other militias supported or created by the Government of Sudan, and cooperates fully with efforts to bring to justice the individuals responsible for genocide, war crimes, or crimes against humanity in Darfur;

(iii) the Government of Sudan cooperates fully with the African Union, the United Nations, and all other observer, monitoring, and protection missions mandated to operate in Sudan;

(iv) the Government of Sudan permits the safe and voluntary return of displaced persons and refugees to their homes and rebuilds the communities destroyed in the violence in Darfur; and

(v) the Sudan North-South Peace Agreement is fully implemented and a new coalition government is created under such Agreement;

(D) establishes a military no-fly zone in Darfur;

(E) supports the expansion of the African Union force in Darfur so that such force achieves the size and strength needed to prevent ongoing fighting and violence in Darfur;

(F) urges member states to accelerate assistance to the African Union force in Darfur;

(G) calls on the Government of Sudan to cooperate with, and allow unrestricted movement in Darfur by, the African Union force in the region, international humanitarian organizations, and United Nations monitors;

(H) extends the embargo of military equipment established by paragraphs 7 through 9 of Security Council Resolution 1556 to include the prohibition of sale or supply to the Government of Sudan; and

(I) supports African Union efforts to negotiate peace talks between the Government of Sudan and rebels in Darfur, calls on the Government of Sudan and rebels in Darfur to abide by their obligations under the N'Djamena Ceasefire Agreement of April 8, 2004 and subsequent agreements, and urges parties to engage in peace talks without preconditions and seek to resolve the conflict;

(3) the United States should work with other nations to ensure effective efforts to freeze the property and assets of and deny visas and entry to—

(A) those named by the UN Commission;

(B) any individuals the United States believes is or has been planning, carrying out, responsible for, or otherwise involved in genocide, war crimes, and crimes against humanity in Darfur;

(C) family members of any person described in subparagraphs (A) or (B); and

(D) any associates of any such person to whom assets or property of such person were transferred on or after June 11, 2004;

(4) the United States should support accountability through action by the United Nations Security Council, pursuant to Chapter VII of the Charter of the United Nations, to ensure the prompt prosecution and adjudication in a competent international court of justice of those named by the UN Commission;

(5) the United States should not provide assistance to the Government of Sudan, other than assistance necessary for the implementation of the Sudan North-South Peace Agreement, the support of the southern regional government in Sudan, or for humanitarian purposes in Sudan, unless the President certifies and reports to Congress that—

(A) humanitarian organizations are being granted full, unimpeded access to Darfur and the Government of Sudan is providing full cooperation with humanitarian efforts;

(B) concrete, sustained steps are being taken toward demobilizing and disarming Janjaweed militias and any other militias supported or created by the Government of Sudan;

(C) the Government of Sudan is cooperating fully with efforts to bring to justice those responsible for genocide, war crimes, or crimes against humanity in Darfur;

(D) the Government of Sudan cooperates fully with the African Union, the United Nations, and all other observer, monitoring, and protection missions mandated to operate in Sudan;

(E) the Government of Sudan permits the safe and voluntary return of displaced persons and refugees to their homes and rebuilds the communities destroyed in the violence in Darfur; and

(F) the Sudan North-South Peace Agreement is fully implemented and a new coalition government is created under such Agreement;

(6) the President should work with the African Union and other international organizations and nations to establish mechanisms for the enforcement of a no-fly zone in Darfur;

(7) the African Union should extend its mandate in Darfur to include the protection of civilians and proactive efforts to prevent violence, and member states should support fully this extension;

(8) the President should accelerate assistance to the African Union force in Darfur and discussions with the African Union and the European Union and other supporters of the African Union force on the needs of such force, including assistance for housing, transportation, communications, equipment, technical assistance such as training and command and control assistance, and intelligence;

(9) the President should appoint a Presidential Envoy for Sudan—

(A) to support the implementation of the Sudan North-South Peace Agreement;

(B) to seek ways to bring stability and peace to Darfur;

(C) to address instability elsewhere in Sudan; and

(D) to seek a comprehensive peace throughout Sudan;

(10) United States officials, including the President, the Secretary of State, and the Secretary of Defense, should raise the issue of Darfur in bilateral meetings with officials from other members of the United Nations Security Council and relevant countries, with the aim of passing a United Nations Security Council resolution described in paragraph (2) and mobilizing maximum support for political, financial, and military efforts to stop the genocide in Darfur;

(11) the Secretary of State should immediately engage in a concerted, sustained campaign with other members of the United Nations Security Council and relevant countries with the aim of achieving the goals described in paragraph (10);

(12) the United States fully supports the Sudan North-South Peace Agreement and urges the rapid implementation of its terms; and

(13) the United States condemns attacks on humanitarian workers and calls on all forces in Darfur, including forces of the Government of Sudan, all militia, and forces of the Sudan People's Liberation Army/Movement and the Justice and Equality Movement, to refrain from such attacks.

SEC. 5. IMPOSITION OF SANCTIONS.

(a) FREEZING ASSETS.—At such time as the United States has access to the names of those named by the UN Commission, the President shall take such action as may be necessary to immediately freeze the funds and other assets belonging to anyone so named, their family members, and any associates of those so named to whom assets or property of those so named were transferred on or after June 11, 2004, including requiring that any United States financial institution holding such funds and assets promptly report those funds and assets to the Office of Foreign Assets Control.

(b) VISA BAN.—Beginning at such times as the United States has access to the names of those named by the UN Commission, the President shall deny visas and entry to—

(1) those named by the UN Commission;

(2) the family members of those named by the UN Commission; and

(3) anyone the President determines has been, is, or may be planning, carrying out, responsible for, or otherwise involved in crimes against humanity, war crimes, or genocide in Darfur, Sudan.

(c) ASSET REPORTING REQUIREMENT.—Not later than 14 days after a decision to freeze the property or assets of, or deny a visa or entry to, any person under this section, the President shall report the name of such person to the appropriate congressional committees.

(d) NOTIFICATION OF WAIVERS OF SANCTIONS.—Not later than 30 days before waiving the provisions of any sanctions currently in force with regard to Sudan, the President shall submit to the appropriate congressional committees a report describing the waiver and the reasons therefor.

SEC. 6. REPORTS TO CONGRESS.

(a) REPORTS ON STABILIZATION IN SUDAN.—

(1) INITIAL REPORT.—Not later than 30 days after the date of enactment of this Act, the Secretary of State, in conjunction with the Secretary of Defense, shall report to the appropriate congressional committees on efforts to deploy an African Union force in Darfur, the capacity of such force to stabilize Darfur and protect civilians, the needs of such force to succeed at such mission including housing, transportation, communications, equipment, technical assistance, including training and command and control, and intelligence, current status of United States and other assistance to the African Union force, and additional United States assistance needed.

(2) SUBSEQUENT REPORTS.—The Secretary of State, in conjunction with the Secretary of Defense, shall submit not less than every 60 days until such time as the President certifies that the situation in Darfur is stable and that civilians are no longer in danger and that the African Union is no longer needed to prevent a resumption of violence and attacks against civilians.

(b) REPORT ON THOSE NAMED BY THE UN COMMISSION.—At such time as the United States has access to the names of those named by the UN Commission, the President shall submit to the appropriate congressional committees a report listing such names.

(c) REPORTS ON ACCOUNTABILITY.—

(1) IN GENERAL.—No later than 30 days after the date of enactment of this Act and every 30 days thereafter, the President shall submit to the appropriate congressional committees a report on the status of efforts in the United Nations Security Council to ensure prompt prosecution and adjudication of those named by the UN Commission in a competent international court of justice.

(2) CONTENT.—The reports required under paragraph (1) shall describe—

(A) the status of any relevant resolution introduced in the United Nations Security Council;

(B) the policy of the United States with regard to such resolutions;

(C) the status of all possible venues for prosecution and adjudication of those named by the UN Commission, including whether such venues have the jurisdiction, personnel and assets necessary to promptly prosecute and adjudicate cases involving such persons; and

(D) any ongoing or planned United States or other assistance related to the prosecution and adjudication of cases involving those named by the UN Commission.

Mr. BROWNBACK. Mr. President, today with several bipartisan colleagues, Senator CORZINE and I introduced the Darfur Accountability Act of 2005. For nearly a year, this body has been aware of the ongoing genocide in Sudan. Last July we declared genocide in Darfur, followed shortly thereafter by the same declaration by former Secretary of State Colin Powell. Yet no punitive measure has been taken by the international community against the Government of Sudan for these egregious human rights violations. Some sources estimate that as many as 400,000 people have died as a result, and nearly 2 million have been displaced from their homes.

Yesterday I spoke on the Senate floor in an attempt to display the face of genocide. Photographs of scorched bodies, castrated men, dead children, and burned villages were provided to me by Nicholas Kristof of the New York Times. These photos do nothing less than display the cruel impunity of those committing genocide. The haunting reality is that the international community has failed on their promise of ''never again.''

The United Nations should take immediate steps to end this genocide and Kofi Annan should lead the Security Council to pass a strong, meaningful resolution that will immediately change the situation on the ground. There is no longer an excuse; we must call this what this is, and we must immediately act to prevent further pillaging and death. I have called on Annan several times to lead or leave. He should pass a resolution with mechanisms to see that the impunity ends and if he fails to do so, resign in moral protest at the international community's inaction and complacency.

Our bill, the Darfur Accountability Act of 2005, calls for several key measures to be taken, including: a multilateral arms embargo to include the government of Sudan; a no fly zone; multilateral sanctions; targeted sanctions including travel bans and the freezing of assets of criminals; accelerated assistance to AU monitoring troops, and several other items that will secure a peaceful Darfur.

I encourage my colleagues to join us in moving this bill through Congress. We do not have days or weeks to spare when millions of lives are in jeopardy. We cannot grant the government of Sudan and the janjaweed more time to execute the African tribes in Darfur. I look forward to working with Senator CORZINE and other colleagues to see passage of this bill immediately.

By Mr. SALAZAR:

S. 496. A bill to provide permanent funding for the payment in lieu of taxes program, and for other purposes; to the Committee on Homeland Security and Governmental Affairs.

By Mr. SALAZAR:

S. 497. A bill to revitalize our nation's rural communities by expanding broadband services; to the Committee on Finance.

Mr. SALAZAR. Mr. President, I rise to speak about two bills I am introducing today and to speak out in support of rural Colorado and rural America. The two bills—one to increase investment in broadband technology in rural areas, and another to permanently fund the payment in lieu of taxes program—are the first bills I am introducing as a Senator. I am proud they are both targeted at rural Colorado.

Over 400 years ago, in 1598, my family helped found the oldest city in what is now these United States. They named the city Santa Fe—the City of Holy Faith—because they knew the hand of God would guide them through the struggles of survival in the ages ahead.

For the next four centuries, that faith in their future guided them to overcome extremely painful and challenging times. As humble and poor farmers, the circumstances of their lives forged the priceless and tireless values of my father Henry and mother Emma. And they instilled those values in their children.

My family has now farmed the same lands in southern Colorado, 110 miles north of Santa Fe, for almost 150 years. On that ranch, we did not have a telephone, and the power lines did not reach us until 1981. Although we were poor in material goods, we were rich in spirit. My parents were part of the World's ''greatest generation''—my father a proud veteran of World War II and my mother a proud servant in the War Department. Although neither had a college degree, they taught us about the values and the promise of America. All eight of their children became first-generation college graduates, inspired by their dedication to God, family, community, and country.

As Colorado's U.S. Senator, I am proud of my values and roots in rural Colorado. Rural America is the heart of our great Nation.

The values my parents taught me are the fundamental values that make this country the place I am privileged to call home.

Unfortunately, the America where I grew up is vanishing, left behind by a

Washington DC that has lost touch with what is important to the people of the heartland. I fear that rural Colorado, like the rest of rural America, has become ''the forgotten America.''

Rural America has given up its sons and daughters to the cause of freedom without hesitation and in numbers that far exceed its proportion of the country's population. It has worked quietly to put food on our tables, and remains humbly grounded, seeking neither praise nor thanks.

Yet when the President reported on the State of the Union, there was not a word on the state of the more than 3,000 counties that make up rural America—not a word. And in the administration's budget, the programs and investments vital to those communities—PILT, block grants, conservation programs, investments in animal and food safety, and investments in technology, schools and law enforcement—were drastically cut.

Last week, I traveled nearly 2,000 miles to every corner of Colorado and convened 17 meetings with elected officials representing Colorado's 64 counties.

In those meetings, I heard the state of rural America in the words of the people who are fighting for their families everyday.

The state of rural America is sadly the state of the forgotten America.

In rural Colorado, residents face lower incomes and are far more likely to be unemployed than people in urban and suburban areas.

In Crowley County, east of Pueblo, there is only one nurse practitioner to serve a county of nearly 6,000 people. If you get sick in Crowley County, you have three choices: wait, go to the emergency room, or hope you get better.

In Routt County, veterans have to travel nearly 200 miles to Grand Junction to see a doctor in the VA clinic. A few months ago, there was no waiting list to see a doctor. Now, there's a waiting list of 400, which means veterans in western Colorado wait 5 months to see a doctor.

The Dolores County Sheriff, Jerry Martin, has to make hiring decisions based not on public security demands but on the ability of his department to provide health care to the prospective employee. Health care premiums have risen 20 percent every year the last 3 years in Dolores County.

Across the State, people told me that their health care premiums dwarf their mortgage payments because in many cases they pay over $1,000 per month for health insurance for their families.

Between 1996 and 2000, one in three of our rural schools saw its enrollment drop more than 10 percent.

Though they continue to excel on State tests, too many of our rural schools have been forced to divert valuable resources to fulfill the unfunded mandates of No Child Left Behind.

In Kiowa, Moffat, and Custer Counties, our teachers are paid much less than teachers in the big cities. In Kit Carson County, where teachers sometimes teach two and three subjects, only half of our teachers right now would meet new Federal standards requiring them to be certified for each subject.

And in the town of Rico, half of Main Street is boarded up: there's a liquor store, but not much else. According to the Kansas City Federal Reserve Bank, that may be part of a larger trend: Main Street in rural Colorado is losing its storefronts at an alarming rate.

Compare those needs to the budget the Administration recently proposed.

While we are facing a shortage of qualified and trained health care employees, the administration budget this year cut health professions training by almost two thirds, $290 million.

While our State tries to deal with a devastating budget crisis, the Administration dramatically reduced funding for the Community Development Block Grants on which towns, from Greeley to Grand Junction to Denver, depend.

For the fifth year in a row, the Administration's budget fails to fulfill the funding promises made in the No Child Left Behind law, but still heaps mandates on local schools.

Moreover, the proposed budget eliminates low-interest loans for students who have the grades but can't afford to go to college and eliminates funding for vocational training that many rural Colorado students use.

The proposed budget cuts $250 million from one of the most successful small business investment programs and decimates USDA investments in rural economic development.

While we combat methamphetamine production and invest precious resources in meth lab clean up, the budget cuts Safe and Drug Free School grants, the COPS program by nearly $500 million, and State and local homeland security training programs by 60 percent.

I want to propose two small steps in my effort to reinvest in rural America. In coming months I intend to introduce measures to strengthen rural law enforcement, revitalize rural health care, invest in Main Street, strengthen rural education, help ensure efficient and equitable sharing of water resources and underscore the values that shape every rural community in Colorado.

The first bill is on the PILT program. I know that education in rural America is funded through a variety of means, including through resources passed to rural counties through the Payment in Lieu of Taxes program.

The idea behind the PILT program is simple. It makes sure that local communities in States like Colorado—States that have seen large parts of land set aside by the Federal Government for public use—do not lose valuable resources from foregone property taxes. Those resources fund programs from education to law enforcement.

Unfortunately, this year the administration's budget is again proposing to cut that funding. Thanks to the efforts of my Democratic and Republican colleagues, such as Senator BINGAMAN, some of that funding has been won back over the last several years, and I am hopeful we will do so again this year.

But our local communities should not have to wait and wonder every year whether their resources for schools, roads and law enforcement will make it into the budget, and that is why I am introducing a bill to make permanent the funding for the payment in lieu of taxes program.

I am also introducing a bill to increase investment in broadband technology in rural communities. Bringing broadband to our rural schools will give our students there access to technology that millions of other students take for granted. With broadband will come world class research and access to AP courses at Colorado's universities. And with broadband we will see the economic development for which rural Colorado has been waiting.

The benefits of this investment do not stop in education and business. Telehealth is increasingly vital in rural Colorado, held back in some cases by the lack of investment in infrastructure. That same infrastructure limits investment opportunities in rural communities.

With this bill I am building on the hard work of others and saying that it is long past time for us to invest in the world class broadband that rural communities need and are right to expect. My bill does that in three ways.

First, it will establish our Nation's first Rural Broadband Office to coordinate all Federal Government resources as they relate to broadband.

Second, it will help broadband providers keep pace with our rapidly changing technology.

And third, it calls on the Congress to live up to its responsibility to fully fund rural utilities.

It has been a long road that has carried me from that ranch in the San Luis Valley, growing up as one of eight siblings and proudly attending college and law school before having the privilege to serve in U.S. Senate.

In all of this, I have never forgotten where I come from. In my office, I have a sign on my desk that reads ''No Farms, No Food.'' Every day I look at it, and I am reminded of just how dependent we are on the people of rural Colorado, and in rural communities all across America.

At a meeting with leaders from Colorado's farmer and rancher community last month, a wheat farmer from southeastern Colorado told me this: ''Senator, you'd never believe how

many farmers refuse to go to the doctor when they get sick. It's not that they aren't really sick. It's that they can't afford the doctor.''

Unfortunately, Mr. President, I do believe that wheat farmer, and I know rural America needs our help.

In America, the most powerful, prosperous, idealistic country the world has ever known, we can do better.

And protecting that way of life—in our churches and town halls, Main Streets and living rooms, ranches and independent drug stores—demands it. Together, we can make sure that no one anywhere in this country feels that he is part of a ''Forgotten America'' any longer.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. CORZINE. Mr. President, I congratulate my colleague from Colorado. His maiden speech was as brilliant as his life has been. It is an honor to serve with him, when I think about the story of his family and its presence and contribution to this country and the power with which he speaks for those he represents in rural America. This will be one of many speeches that make a great impact on our country. I am honored to serve with him and congratulate him on his initial voyage.

Mr. SALAZAR. Mr. President, I appreciate the comments from the Senator from New Jersey.

I ask unanimous consent that the text of the bills be printed in the RECORD.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 496

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''PILT and Refuge Revenue Sharing Permanent Funding Act''.

SEC. 2. PERMANENT FUNDING.

(a) PAYMENTS IN LIEU OF TAXES.—

(1) IN GENERAL.—Section 6906 of title 31, United States Code, is amended to read as follows:

''§ 6906. Funding

''For fiscal year 2006 and each fiscal year thereafter, amounts authorized under this chapter shall be made available to the Secretary of the Interior, out of any amounts in the Treasury not otherwise appropriated and without further appropriation, for obligation or expenditure in accordance with this chapter.''.

(2) CONFORMING AMENDMENT.—The table of sections for chapter 69 of title 31, United States Code, is amended by striking the item relating to section 6906 and inserting the following:

''6906. Funding.''.

(b) REFUGE REVENUE SHARING.—Section 401(d) of the Act of June 15, 1935 (16 U.S.C. 715s(d)) is amended—

(1) by striking ''If the net receipts'' and inserting the following:

''(1) If the net receipts''; and

(2) by adding at the end the following:

''(2) For fiscal year 2006 and each fiscal year thereafter, the amount made available under paragraph (1) shall be made available to the Secretary, out of any funds in the Treasury not otherwise appropriated and without further appropriation, for obligation or expenditure in accordance with this section.''.

S. 497

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Broadband Rural Revitalization Act of 2005''.

SEC. 2. RURAL BROADBAND OFFICE.

(a) ESTABLISHMENT.—There is established within the Department of Commerce, the Rural Broadband Office.

(b) DUTIES.—The Office shall coordinate all Federal Government resources as they relate to the expansion of broadband technology into rural areas.

(c) REPORT.—Not later than 1 year after the date of the enactment of this Act, and annually thereafter, the Rural Broadband Office shall submit a report to the Congress that—

(1) assesses the availability of, and access to, broadband technology in rural areas;

(2) estimates the number of individuals using broadband technology in rural areas;

(3) estimates the unmet demand for broadband technology in rural areas; and

(4) sets forth a strategic plan to meet the demand described in paragraph (3).

SEC. 3. FULL FUNDING FOR RURAL BROADBAND SERVICES.

It is the sense of Congress that the loan program established in section 4 of the Rural Electrification Act of 1936 (7 U.S.C. 901 et seq.), which is essential to the economic well-being of small telecommunications providers and to the quality of life for all rural residents, be funded fully.

SEC. 4. EXPENSING OF BROADBAND INTERNET ACCESS EXPENDITURES FOR RURAL COMMUNITIES.

(a) IN GENERAL.—Part VI of subchapter B of chapter 1 of the Internal Revenue Code of 1986 (relating to itemized deductions for individuals and corporations) is amended by inserting after section 190 the following new section:

''SEC. 191. BROADBAND EXPENDITURES FOR RURAL COMMUNITIES.

''(a) TREATMENT OF EXPENDITURES.—

''(1) IN GENERAL.—A taxpayer may elect to treat any qualified broadband expenditure which is paid or incurred by the taxpayer as an expense which is not chargeable to capital account. Any expenditure which is so treated shall be allowed as a deduction.

''(2) ELECTION.—An election under paragraph (1) shall be made at such time and in such manner as the Secretary may prescribe by regulation.

''(b) QUALIFIED BROADBAND EXPENDITURES.—For purposes of this section—

''(1) IN GENERAL.—The term 'qualified broadband expenditure' means, with respect to any taxable year, any direct or indirect costs incurred and properly taken into account with respect to—

''(A) the purchase or installation of qualified equipment (including any upgrades thereto), and

''(B) the connection of such qualified equipment to any qualified subscriber.

''(2) CERTAIN SATELLITE EXPENDITURES EXCLUDED.—Such term shall not include any costs incurred with respect to the launching of any satellite equipment.

''(3) LEASED EQUIPMENT.—Such term shall include so much of the purchase price paid by the lessor of qualified equipment subject to a lease described in subsection (c)(2)(B) as is attributable to expenditures incurred by the lessee which would otherwise be described in paragraph (1).

''(c) WHEN EXPENDITURES TAKEN INTO ACCOUNT.—For purposes of this section—

''(1) IN GENERAL.—Qualified broadband expenditures with respect to qualified equipment shall be taken into account with respect to the first taxable year in which—

''(A) current generation broadband services are provided through such equipment to qualified subscribers, or

''(B) next generation broadband services are provided through such equipment to qualified subscribers.

''(2) LIMITATION.—

''(A) IN GENERAL.—Qualified expenditures shall be taken into account under paragraph (1) only with respect to qualified equipment—

''(i) the original use of which commences with the taxpayer, and

''(ii) which is placed in service, after the date of the enactment of this Act.

''(B) SALE-LEASEBACKS.—For purposes of subparagraph (A), if property—

''(i) is originally placed in service after the date of the enactment of this Act by any person, and

''(ii) sold and leased back by such person within 3 months after the date such property was originally placed in service, such property shall be treated as originally placed in service not earlier than the date on which such property is used under the leaseback referred to in clause (ii).

''(d) SPECIAL ALLOCATION RULES.—

''(1) CURRENT GENERATION BROADBAND SERVICES.—For purposes of determining the amount of qualified broadband expenditures under subsection (a)(1) with respect to qualified equipment through which current generation broadband services are provided, if the qualified equipment is capable of serving both qualified subscribers and other subscribers, the qualified broadband expenditures shall be multiplied by a fraction—

''(A) the numerator of which is the sum of the number of potential qualified subscribers within the rural areas which the equipment is capable of serving with current generation broadband services, and

''(B) the denominator of which is the total potential subscriber population of the area which the equipment is capable of serving with current generation broadband services.

''(2) NEXT GENERATION BROADBAND SERVICES.—For purposes of determining the amount of qualified broadband expenditures under subsection (a)(1) with respect to qualified equipment through which next generation broadband services are provided, if the qualified equipment is capable of serving both qualified subscribers and other subscribers, the qualified expenditures shall be multiplied by a fraction—

''(A) the numerator of which is the sum of—

''(i) the number of potential qualified subscribers within the rural areas, plus

''(ii) the number of potential qualified subscribers within the area consisting only of residential subscribers not described in clause (i), which the equipment is capable of serving with next generation broadband services, and

''(B) the denominator of which is the total potential subscriber population of the area which the equipment is capable of serving with next generation broadband services.

''(e) DEFINITIONS.—For purposes of this section—

''(1) ANTENNA.—The term 'antenna' means any device used to transmit or receive signals through the electromagnetic spectrum, including satellite equipment.

''(2) CABLE OPERATOR.—The term 'cable operator' has the meaning given such term by section 602(5) of the Communications Act of 1934 (47 U.S.C. 522(5)).

''(3) COMMERCIAL MOBILE SERVICE CARRIER.—The term 'commercial mobile service carrier' means any person authorized to provide commercial mobile radio service as defined in section 20.3 of title 47, Code of Federal Regulations.

''(4) CURRENT GENERATION BROADBAND SERVICE.—The term 'current generation broadband service' means the transmission of signals at a rate of at least 1,000,000 bits per second to the subscriber and at least 128,000 bits per second from the subscriber.

''(5) MULTIPLEXING OR DEMULTIPLEXING.—The term 'multiplexing' means the transmission of 2 or more signals over a single channel, and the term 'demultiplexing' means the separation of 2 or more signals previously combined by compatible multiplexing equipment.

''(6) NEXT GENERATION BROADBAND SERVICE.—The term 'next generation broadband service' means the transmission of signals at a rate of at least 22,000,000 bits per second to the subscriber and at least 5,000,000 bits per second from the subscriber.

''(7) NONRESIDENTIAL SUBSCRIBER.—The term 'nonresidential subscriber' means any person who purchases broadband services which are delivered to the permanent place of business of such person.

''(8) OPEN VIDEO SYSTEM OPERATOR.—The term 'open video system operator' means any person authorized to provide service under section 653 of the Communications Act of 1934 (47 U.S.C. 573).

''(9) OTHER WIRELESS CARRIER.—The term 'other wireless carrier' means any person (other than a telecommunications carrier, commercial mobile service carrier, cable operator, open video system operator, or satellite carrier) providing current generation broadband services or next generation broadband service to subscribers through the radio transmission of energy.

''(10) PACKET SWITCHING.—The term 'packet switching' means controlling or routing the path of any digitized transmission signal which is assembled into packets or cells.

''(11) PROVIDER.—The term 'provider' means, with respect to any qualified equipment—

''(A) a cable operator,

''(B) a commercial mobile service carrier,

''(C) an open video system operator,

''(D) a satellite carrier,

''(E) a telecommunications carrier,

''(F) any other wireless carrier, providing current generation broadband services or next generation broadband services to subscribers through such qualified equipment; or

''(G) any carrier or operator using any other technology.

''(12) PROVISION OF SERVICES.—A provider shall be treated as providing services to 1 or more subscribers if—

''(A) such a subscriber has been passed by the provider's equipment and can be connected to such equipment for a standard connection fee,

''(B) the provider is physically able to deliver current generation broadband services or next generation broadband services, as applicable, to such a subscriber without making more than an insignificant investment with respect to such subscriber,

''(C) the provider has made reasonable efforts to make such subscribers aware of the availability of such services,

''(D) such services have been purchased by 1 or more such subscribers, and

''(E) such services are made available to such subscribers at average prices comparable to those at which the provider makes available similar services in any areas in which the provider makes available such services.

''(13) QUALIFIED EQUIPMENT.—

''(A) IN GENERAL.—The term 'qualified equipment' means equipment which provides current generation broadband services or next generation broadband services—

''(i) at least a majority of the time during periods of maximum demand to each subscriber who is utilizing such services, and

''(ii) in a manner substantially the same as such services are provided by the provider to subscribers through equipment with respect to which no deduction is allowed under subsection (a)(1).

''(B) ONLY CERTAIN INVESTMENT TAKEN INTO ACCOUNT.—Except as provided in subparagraph (C) or (D), equipment shall be taken into account under subparagraph (A) only to the extent it—

''(i) extends from the last point of switching to the outside of the unit, building, dwelling, or office owned or leased by a subscriber in the case of a telecommunications carrier,

''(ii) extends from the customer side of the mobile telephone switching office to a transmission/receive antenna (including such antenna) owned or leased by a subscriber in the case of a commercial mobile service carrier,

''(iii) extends from the customer side of the headend to the outside of the unit, building, dwelling, or office owned or leased by a subscriber in the case of a cable operator or open video system operator, or

''(iv) extends from a transmission/receive antenna (including such antenna) which transmits and receives signals to or from multiple subscribers, to a transmission/receive antenna (including such antenna) on the outside of the unit, building, dwelling, or office owned or leased by a subscriber in the case of a satellite carrier or other wireless carrier, unless such other wireless carrier is also a telecommunications carrier.

''(C) PACKET SWITCHING EQUIPMENT.—Packet switching equipment, regardless of location, shall be taken into account under subparagraph (A) only if it is deployed in connection with equipment described in subparagraph (B) and is uniquely designed to perform the function of packet switching for current generation broadband services or next generation broadband services, but only if such packet switching is the last in a series of such functions performed in the transmission of a signal to a subscriber or the first in a series of such functions performed in the transmission of a signal from a subscriber.

''(D) MULTIPLEXING AND DEMULTIPLEXING EQUIPMENT.—Multiplexing and demultiplexing equipment shall be taken into account under subparagraph (A) only to the extent it is deployed in connection with equipment described in subparagraph (B) and is uniquely designed to perform the function of multiplexing and demultiplexing packets or cells of data and making associated application adaptions, but only if such multiplexing or demultiplexing equipment is located between packet switching equipment described in subparagraph (C) and the subscriber's premises.

''(14) QUALIFIED SUBSCRIBER.—The term 'qualified subscriber' means—

''(A) with respect to the provision of current generation broadband services—

''(i) any nonresidential subscriber maintaining a permanent place of business in a rural area, or

''(ii) any residential subscriber residing in a dwelling located in a rural area which is not a saturated market, and

''(B) with respect to the provision of next generation broadband services—

''(i) any nonresidential subscriber maintaining a permanent place of business in a rural area, or

''(ii) any residential subscriber.

''(15) RESIDENTIAL SUBSCRIBER.—The term 'residential subscriber' means any individual who purchases broadband services which are delivered to such individual's dwelling.

''(16) RURAL AREA.—The term 'rural area' means any census tract which—

''(A) is not within 5 miles of any incorporated or census designated place containing more than 25,000 people, and

''(B) is not within a county or county equivalent which has an overall population density of more than 500 people per square mile of land.

''(17) RURAL SUBSCRIBER.—The term 'rural subscriber' means any residential subscriber residing in a dwelling located in a rural area or nonresidential subscriber maintaining a permanent place of business located in a rural area.

''(18) SATELLITE CARRIER.—The term 'satellite carrier' means any person using the facilities of a satellite or satellite service licensed by the Federal Communications Commission and operating in the Fixed-Satellite Service under part 25 of title 47 of the Code of Federal Regulations or the Direct Broadcast Satellite Service under part 100 of title 47 of such Code to establish and operate a channel of communications for distribution of signals, and owning or leasing a capacity or service on a satellite in order to provide such point-to-multipoint distribution.

''(19) SATURATED MARKET.—The term 'saturated market' means any census tract in which, as of the date of the enactment of this section—

''(A) current generation broadband services have been provided by a single provider to 85 percent or more of the total number of potential residential subscribers residing in dwellings located within such census tract, and

''(B) such services can be utilized—

''(i) at least a majority of the time during periods of maximum demand by each such subscriber who is utilizing such services, and

''(ii) in a manner substantially the same as such services are provided by the provider to subscribers through equipment with respect to which no deduction is allowed under subsection (a)(1).

''(20) SUBSCRIBER.—The term 'subscriber' means any person who purchases current generation broadband services or next generation broadband services.

''(21) TELECOMMUNICATIONS CARRIER.—The term 'telecommunications carrier' has the meaning given such term by section 3(44) of the Communications Act of 1934 (47 U.S.C. 153(44)), but—

''(A) includes all members of an affiliated group of which a telecommunications carrier is a member, and

''(B) does not include a commercial mobile service carrier.

''(22) TOTAL POTENTIAL SUBSCRIBER POPULATION.—The term 'total potential subscriber population' means, with respect to

any area and based on the most recent census data, the total number of potential residential subscribers residing in dwellings located in such area and potential nonresidential subscribers maintaining permanent places of business located in such area.

''(f) SPECIAL RULES.—

''(1) PROPERTY USED OUTSIDE THE UNITED STATES, ETC., NOT QUALIFIED.—No expenditures shall be taken into account under subsection (a)(1) with respect to the portion of the cost of any property referred to in section 50(b) or with respect to the portion of the cost of any property specified in an election under section 179.

''(2) BASIS REDUCTION.—

''(A) IN GENERAL.—For purposes of this title, the basis of any property shall be reduced by the portion of the cost of such property taken into account under subsection (a)(1).

''(B) ORDINARY INCOME RECAPTURE.—For purposes of section 1245, the amount of the deduction allowable under subsection (a)(1) with respect to any property which is of a character subject to the allowance for depreciation shall be treated as a deduction allowed for depreciation under section 167.

''(3) COORDINATION WITH SECTION 38.—No credit shall be allowed under section 38 with respect to any amount for which a deduction is allowed under subsection (a)(1).''.

(b) SPECIAL RULE FOR MUTUAL OR COOPERATIVE TELEPHONE COMPANIES.—Section 512(b) (relating to modifications) is amended by adding at the end the following new paragraph:

''(18) SPECIAL RULE FOR MUTUAL OR COOPERATIVE TELEPHONE COMPANIES.—A mutual or cooperative telephone company which for the taxable year satisfies the requirements of section 501(c)(12)(A) may elect to reduce its unrelated business taxable income for such year, if any, by an amount that does not exceed the qualified broadband expenditures which would be taken into account under section 191 for such year by such company if such company was not exempt from taxation. Any amount which is allowed as a deduction under this paragraph shall not be allowed as a deduction under section 191 and the basis of any property to which this paragraph applies shall be reduced under section 1016(a)(32).''.

(c) CONFORMING AMENDMENTS.—

(1) Section 263(a)(1) of the Internal Revenue Code of 1986 (relating to capital expenditures) is amended by striking ''or'' at the end of subparagraph (H), by striking the period at the end of subparagraph (I) and inserting '', or'', and by adding at the end the following new subparagraph:

''(J) expenditures for which a deduction is allowed under section 191.''.

(2) Section 1016(a) of such Code is amended by striking ''and'' at the end of paragraph (30), by striking the period at the end of paragraph (31) and inserting '', and'', and by adding at the end the following new paragraph:

''(32) to the extent provided in section 191(f)(2).''.

(3) The table of sections for part VI of subchapter A of chapter 1 of such Code is amended by inserting after the item relating to section 190 the following new item:

''Sec. 191. Broadband expenditures for rural communities.''.

(d) DESIGNATION OF CENSUS TRACTS.—

(1) IN GENERAL.—The Secretary of the Treasury shall, not later than 90 days after the date of the enactment of this Act, designate and publish those census tracts meeting the criteria described in paragraphs (16) and (22) of section 191(e) of the Internal Revenue Code of 1986 (as added by this section). In making such designations, the Secretary of the Treasury shall consult with such other departments and agencies as the Secretary determines appropriate.

(2) SATURATED MARKET.—

(A) IN GENERAL.—For purposes of designating and publishing those census tracts meeting the criteria described in subsection (e)(19) of such section 191—

(i) the Secretary of the Treasury shall prescribe not later than 30 days after the date of the enactment of this Act the form upon which any provider which takes the position that it meets such criteria with respect to any census tract shall submit a list of such census tracts (and any other information required by the Secretary) not later than 60 days after the date of the publication of such form, and

(ii) the Secretary of the Treasury shall publish an aggregate list of such census tracts and the applicable providers not later than 30 days after the last date such submissions are allowed under clause (i).

(B) NO SUBSEQUENT LISTS REQUIRED.—The Secretary of the Treasury shall not be required to publish any list of census tracts meeting such criteria subsequent to the list described in subparagraph (A)(ii).

(e) OTHER REGULATORY MATTERS.—

(1) PROHIBITION.—No Federal or State agency or instrumentality shall adopt regulations or ratemaking procedures that would have the effect of eliminating or reducing any deduction or portion thereof allowed under section 191 of the Internal Revenue Code of 1986 (as added by this section) or otherwise subverting the purpose of this section.

(2) TREASURY REGULATORY AUTHORITY.—It is the intent of Congress in providing the election to deduct qualified broadband expenditures under section 191 of the Internal Revenue Code of 1986 (as added by this section) to provide incentives for the purchase, installation, and connection of equipment and facilities offering expanded broadband access to the Internet for users in certain rural areas of the United States, as well as to residential users nationwide, in a manner that maintains competitive neutrality among the various classes of providers of broadband services. Accordingly, the Secretary of the Treasury shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of section 191 of such Code, including—

(A) regulations to determine how and when a taxpayer that incurs qualified broadband expenditures satisfies the requirements of section 191 of such Code to provide broadband services, and

(B) regulations describing the information, records, and data taxpayers are required to provide the Secretary to substantiate compliance with the requirements of section 191 of such Code.

(f) NO IMPLICATION REGARDING THE NEED FOR NEXT GENERATION INCENTIVE IN URBAN AREAS.—Nothing in this section shall be construed to imply that an incentive for next generation broadband is not needed in urban areas.

(g) EFFECTIVE DATE.—The amendments made by this section shall apply to expenditures incurred after the date of the enactment of this Act and before the date which is 12 months after the date of the enactment of this Act.

By Mr. BURR (for himself, Ms. LANDRIEU, and Mr. LOTT):

S. 498. A bill to provide for expansion of electricity transmission networks in order to support competitive electricity markets, to ensure reliability of electric service, to modernize regulation and for other purposes; to the Committee on Energy and Natural Resources.

Mr. BURR. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 498

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Interstate Transmission Act of 2005''.

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

SEC. 2. FINDINGS.

Congress finds that—

(1) transmission networks are the backbone of reliable delivery of electric energy and competitive wholesale power markets;

(2) the expansion, enhancement, and improvement of transmission facilities, and rules of the road for using the facilities, are necessary to maintain and improve the reliability of electric service and to enhance competitive wholesale markets across the United States and competitive retail markets that have been adopted by nearly the States;

(3) to ensure reliable and efficient expansion, enhancement, and improvement of transmission facilities, the economics of the business of electric transmission and the Federal regulatory structures applicable to the facilities must be improved;

(4) Federal electricity regulatory policy should benefit consumers by providing incentives for infrastructure improvement and by removing barriers to efficient competition, and not be dictated by the imposition of market structures or costly mandates;

(5) slow, burdensome, or duplicative reviews of utility mergers are a disincentive to the efficient disposition of utility assets needed to ensure a reliable and efficient infrastructure;

(6) since efficient competition requires accurate price signals that reflect cost causation, parties that benefit from transmission upgrades should be required to pay for the upgrades;

(7) Federal regulation should not override the interests of local consumers or State laws that ensure reliable service and adequate transmission capacity to serve consumers;

(8) in regions where the formation of regional transmission organizations or similar entities have been formed voluntarily with oversight or approval by States, the Federal Energy Regulatory Commission should have clear authority to approve applications for the organizations that are consistent with the Federal Power Act (16 U.S.C. 791a et seq.);

(9) the States and electricity consumers in each region of the United States, and not the Federal Government, are in the best position to determine how the electric power systems serving their regions should be structured, including whether Regional Transmission Organization formation, traditional vertical integration, or other structures are cost effective for their region; and

(10) mandatory reliability rules, developed and enforced by a self-regulating electric reliability organization, are a vital component of a comprehensive policy to ensure a robust and reliable electricity grid.

TITLE I—RELIABLE AND ECONOMIC TRANSMISSION INFRASTRUCTURE

SEC. 101. TRANSMISSION INFRASTRUCTURE INVESTMENT.

Part II of the Federal Power Act (16 U.S.C. 824 et seq.) is amended by adding at the end the following:

''SEC. 215. TRANSMISSION INFRASTRUCTURE INVESTMENT.

''(a) RULEMAKING REQUIREMENT.—Within 1 year after the enactment of this section, the Commission shall establish, by rule, incentive-based (including, but not limited to performance-based) rate treatments for the transmission of electric energy in interstate commerce by any public utility for the purpose of benefitting consumers by ensuring reliability and reducing the cost of delivered power by reducing transmission congestion. Such rule shall—

''(1) promote reliable and economically efficient transmission and generation of electricity by promoting capital investment in the enlargement, improvement, maintenance and operation of facilities for the transmission of electric energy in interstate commerce;

''(2) provide a return on equity, determined using a variety of reasonable valuation methodologies, that attracts new investment in transmission facilities (including related transmission technologies);

''(3) encourage deployment of transmission technologies and other measures to increase the capacity and efficiency of existing transmission facilities and improve the operation of such facilities;

''(4) allow recovery of all prudently incurred costs necessary to comply with mandatory reliability standards issued pursuant to section 216 of this Act;

''(5) allow a current return in rates for construction work in progress for transmission facilities and full recovery of prudently incurred costs for constructing transmission facilities;

''(6) allow the use of formula transmission rates;

''(7) allow rates of return that do not vary with capital structure; and

''(8) allow a maximum 15-year accelerated depreciation on new transmission facilities for rate treatment purposes.

''(b) ADDITIONAL INCENTIVES FOR RTO PARTICIPATION.—In the rule issued under this section, the Commission shall, to the extent within its jurisdiction, provide for incentives to each transmitting utility or electric utility that joins a Regional Transmission Organization or Independent System Operator. Incentives provided by the Commission pursuant to such rule shall include—

''(1) recovery of all prudently incurred costs to develop and participate in any proposed or approved RTO, ISO, or independent transmission company;

''(2) recovery of all costs previously approved by a State commission which exercised jurisdiction over the transmission facilities prior to the utility's participation in the RTO or ISO, including costs necessary to honor preexisting transmission service contracts, in a manner which does not reduce the revenues the utility receives for transmission services for a reasonable transition period after the utility joins the RTO or ISO; and

''(3) recovery as an expense in rates of the costs prudently incurred to conduct transmission planning and reliability activities, including the costs of participating in RTO, ISO and other regional planning activities and design, study and other precertification costs involved in seeking permits and approvals for proposed transmission facilities.

The Commission shall ensure that any costs recoverable pursuant to this subsection may be recovered by such utility through the transmission rates charged by such utility or through the transmission rates charged by the RTO or ISO that provides transmission service to such utility.

''(c) JUST AND REASONABLE RATES.—All rates approved under the rules adopted pursuant to this section, including any revisions to such rules, are subject to the requirement of sections 205 and 206 that all rates, charges, terms, and conditions be just and reasonable and not unduly discriminatory or preferential.''.

SEC. 102. OPEN NONDISCRIMINATORY ACCESS.

Part II of the Federal Power Act (16 U.S.C. 824 et seq.) is amended by inserting after section 211 the following new section:

''SEC. 211A. OPEN ACCESS BY UNREGULATED TRANSMITTING UTILITIES.

''(a) TRANSMISSION SERVICES.—Subject to section 212(h), the Commission may, by rule or order, require an unregulated transmitting utility to provide transmission services—

''(1) at rates that are comparable to those that the unregulated transmitting utility charges itself; and

''(2) on terms and conditions (not relating to rates) that are comparable to those under which such unregulated transmitting utility provides transmission services to itself and that are not unduly discriminatory or preferential.

''(b) EXEMPTION.—The Commission shall exempt from any rule or order under this section any unregulated transmitting utility that—

''(1) sells no more than 4,000,000 megawatt hours of electricity per year; or

''(2) does not own or operate any transmission facilities that are necessary for operating an interconnected transmission system (or any portion thereof); or

''(3) meets other criteria the Commission determines to be in the public interest.

''(c) LOCAL DISTRIBUTION FACILITIES.—The requirements of subsection (a) shall not apply to facilities used in local distribution.

''(d) EXEMPTION TERMINATION.—Whenever the Commission, after an evidentiary hearing held upon a complaint and after giving consideration to reliability standards established under section 216, finds on the basis of a preponderance of the evidence that any exemption granted pursuant to subsection (b) unreasonably impairs the continued reliability of an interconnected transmission system, it shall revoke the exemption granted to that transmitting utility.

''(e) APPLICATION TO UNREGULATED TRANSMITTING UTILITIES.—The rate changing procedures applicable to public utilities under subsections (c) and (d) of section 205 are applicable to unregulated transmitting utilities for purposes of this section.

''(f) REMAND.—In exercising its authority under paragraph (1) of subsection (a), the Commission may remand transmission rates to an unregulated transmitting utility for review and revision where necessary to meet the requirements of subsection (a).

''(g) OTHER REQUESTS.—The provision of transmission services under subsection (a) does not preclude a request for transmission services under section 211.

''(h) LIMITATION.—The Commission may not require a State or municipality to take action under this section that would violate a private activity bond rule for purposes of section 141 of the Internal Revenue Code of 1986 (26 U.S.C. 141).

''(i) TRANSFER OF CONTROL OF TRANSMITTING FACILITIES.—Nothing in this section authorizes the Commission to require an unregulated transmitting utility to transfer control or operational control of its transmitting facilities to an RTO or any other Commission-approved independent transmission organization designated to provide nondiscriminatory transmission access.

''(j) DEFINITION.—For purposes of this section, the term 'unregulated transmitting utility' means an entity that—

''(1) owns or operates facilities used for the transmission of electric energy in interstate commerce; and

''(2) is an entity described in section 201(f).''.

SEC. 103. ELECTRIC TRANSMISSION PROPERTY TREATED AS 15-YEAR PROPERTY.

(a) IN GENERAL.—Subparagraph (E) of section 168(e)(3) of the Internal Revenue Code of 1986 (relating to classification of certain property) is amended by striking ''and'' at the end of clause (v), by striking the period at the end of clause (vi) and by inserting '', and'', and by adding at the end the following new clause:

''(vii) any section 1245 property (as defined in section 1245(a)(3)) used in the transmission at 69 or more kilovolts of electricity for sale the original use of which commences with the taxpayer after the date of the enactment of this clause.''.

(b) ALTERNATIVE SYSTEM.—The table contained in section 168(g)(3)(B) of the Internal Revenue Code of 1986 (relating to special rule for certain property assigned to classes) is amended by inserting after the item relating to subparagraph (E)(vi) the following:

''(E)(vii) ..... 30''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after the date of the enactment of this Act, in taxable years ending after such date.

SEC. 104. DISPOSITION OF PROPERTY.

Section 203 of the Federal Power Act (16 U.S.C. 824b) is repealed.

SEC. 105. ELECTRIC RELIABILITY STANDARDS.

(a) IN GENERAL.—Part II of the Federal Power Act (16 U.S.C 824 et seq.) (as amended by section 101) is amended by adding at the end the following:

''SEC. 216. ELECTRIC RELIABILITY.

''(a) DEFINITIONS.—For purposes of this section:

''(1) The term 'bulk-power system' means—

''(A) facilities and control systems necessary for operating an interconnected electric energy transmission network (or any portion thereof); and

''(B) electric energy from generation facilities needed to maintain transmission system reliability.

The term does not include facilities used in the local distribution of electric energy.

''(2) The terms 'Electric Reliability Organization' and 'ERO' mean the organization certified by the Commission under subsection (c) the purpose of which is to establish and enforce reliability standards for the bulk-power system, subject to Commission review.

''(3) The term 'reliability standard' means a requirement, approved by the Commission under this section, to provide for reliable operation of the bulk-power system. The term includes requirements for the operation of existing bulk-power system facilities and the design of planned additions or modifications to such facilities to the extent necessary to provide for reliable operation of the bulk-power system, but the term does not include any requirement to enlarge such facilities or to construct new transmission capacity or generation capacity.

''(4) The term 'reliable operation' means operating the elements of the bulk-power system within equipment and electric system thermal, voltage, and stability limits so that instability, uncontrolled separation, or cascading failures of such system will not occur as a result of a sudden disturbance or unanticipated failure of system elements.

''(5) The term 'Interconnection' means a geographic area in which the operation of bulk-power system components is synchronized such that the failure of 1 or more of such components may adversely affect the ability of the operators of other components within the system to maintain reliable operation of the facilities within their control.

''(6) The term 'transmission organization' means a Regional Transmission Organization, Independent System Operator, independent transmission provider, or other transmission organization finally approved by the Commission for the operation of transmission facilities.

''(7) The term 'regional entity' means an entity having enforcement authority pursuant to subsection (e)(4).

''(b) JURISDICTION AND APPLICABILITY.—(1) The Commission shall have jurisdiction, within the United States, over the ERO certified by the Commission under subsection (c), any regional entities, and all users, owners and operators of the bulk-power system, including but not limited to the entities described in section 201(f), for purposes of approving reliability standards established under this section and enforcing compliance with this section. All users, owners and operators of the bulk-power system shall comply with reliability standards that take effect under this section.

''(2) The Commission shall issue a final rule to implement the requirements of this section not later than 180 days after the date of enactment of this section.

''(c) CERTIFICATION.—Following the issuance of a Commission rule under subsection (b)(2), any person may submit an application to the Commission for certification as the Electric Reliability Organization. The Commission may certify 1 such ERO if the Commission determines that such ERO—

''(1) has the ability to develop and enforce, subject to subsection (e)(2), reliability standards that provide for an adequate level of reliability of the bulk-power system; and

''(2) has established rules that—

''(A) assure its independence of the users and owners and operators of the bulk-power system, while assuring fair stakeholder representation in the selection of its directors and balanced decisionmaking in any ERO committee or subordinate organizational structure;

''(B) allocate equitably reasonable dues, fees, and other charges among end users for all activities under this section;

''(C) provide fair and impartial procedures for enforcement of reliability standards through the imposition of penalties in accordance with subsection (e) (including limitations on activities, functions, or operations, or other appropriate sanctions);

''(D) provide for reasonable notice and opportunity for public comment, due process, openness, and balance of interests in developing reliability standards and otherwise exercising its duties; and

''(E) provide for taking, after certification, appropriate steps to gain recognition in Canada and Mexico.

''(d) RELIABILITY STANDARDS.—(1) The Electric Reliability Organization shall file each reliability standard or modification to a reliability standard that it proposes to be made effective under this section with the Commission.

''(2) The Commission may approve, by rule or order, a proposed reliability standard or modification to a reliability standard if it determines that the standard is just, reasonable, not unduly discriminatory or preferential, and in the public interest. The Commission shall give due weight to the technical expertise of the Electric Reliability Organization with respect to the content of a proposed standard or modification to a reliability standard and to the technical expertise of a regional entity organized on an Interconnection-wide basis with respect to a reliability standard to be applicable within that Interconnection, but shall not defer with respect to the effect of a standard on competition. A proposed standard or modification shall take effect upon approval by the Commission.

''(3) The Electric Reliability Organization shall rebuttably presume that a proposal from a regional entity organized on an Interconnection-wide basis for a reliability standard or modification to a reliability standard to be applicable on an Interconnection-wide basis is just, reasonable, and not unduly discriminatory or preferential, and in the public interest.

''(4) The Commission shall remand to the Electric Reliability Organization for further consideration a proposed reliability standard or a modification to a reliability standard that the Commission disapproves in whole or in part.

''(5) The Commission, upon its own motion or upon complaint, may order the Electric Reliability Organization to submit to the Commission a proposed reliability standard or a modification to a reliability standard that addresses a specific matter if the Commission considers such a new or modified reliability standard appropriate to carry out this section.

''(6) The final rule adopted under subsection (b)(2) shall include fair processes for the identification and timely resolution of any conflict between a reliability standard and any function, rule, order, tariff, rate schedule, or agreement accepted, approved, or ordered by the Commission applicable to a transmission organization. Such transmission organization shall continue to comply with such function, rule, order, tariff, rate schedule or agreement accepted approved, or ordered by the Commission until—

''(A) the Commission finds a conflict exists between a reliability standard and any such provision;

''(B) the Commission orders a change to such provision pursuant to section 206 of this part; and

''(C) the ordered change becomes effective under this part.

If the Commission determines that a reliability standard needs to be changed as a result of such a conflict, it shall order the ERO to develop and file with the Commission a modified reliability standard under paragraph (4) or (5) of this subsection.

''(e) ENFORCEMENT.—(1) The ERO may impose, subject to paragraph (2), a penalty on a user or owner or operator of the bulk-power system for a violation of a reliability standard approved by the Commission under subsection (d) if the ERO, after notice and an opportunity for a hearing—

''(A) finds that the user or owner or operator has violated a reliability standard approved by the Commission under subsection (d); and

''(B) files notice and the record of the proceeding with the Commission.

''(2) A penalty imposed under paragraph (1) may take effect not earlier than the 31st day after the ERO files with the Commission notice of the penalty and the record of proceedings. Such penalty shall be subject to review by the Commission, on its own motion or upon application by the user, owner or operator that is the subject of the penalty filed within 30 days after the date such notice is filed with the Commission. Application to the Commission for review, or the initiation of review by the Commission on its own motion, shall not operate as a stay of such penalty unless the Commission otherwise orders upon its own motion or upon application by the user, owner or operator that is the subject of such penalty. In any proceeding to review a penalty imposed under paragraph (1), the Commission, after notice and opportunity for hearing (which hearing may consist solely of the record before the ERO and opportunity for the presentation of supporting reasons to affirm, modify, or set aside the penalty), shall by order affirm, set aside, reinstate, or modify the penalty, and, if appropriate, remand to the ERO for further proceedings. The Commission shall implement expedited procedures for such hearings.

''(3) On its own motion or upon complaint, the Commission may order compliance with a reliability standard and may impose a penalty against a user or owner or operator of the bulk-power system if the Commission finds, after notice and opportunity for a hearing, that the user or owner or operator of the bulk-power system has engaged or is about to engage in any acts or practices that constitute or will constitute a violation of a reliability standard.

''(4) The Commission shall issue regulations authorizing the ERO to enter into an agreement to delegate authority to a regional entity for the purpose of proposing reliability standards to the ERO and enforcing reliability standards under paragraph (1) if—

''(A) the regional entity is governed by—

''(i) an independent board;

''(ii) a balanced stakeholder board; or

''(iii) a combination independent and balanced stakeholder board.

''(B) the regional entity otherwise satisfies the provisions of subsection (c)(1) and (2); and

''(C) the agreement promotes effective and efficient administration of bulk-power system reliability.

The Commission may modify such delegation. The ERO and the Commission shall rebuttably presume that a proposal for delegation to a regional entity organized on an Interconnection-wide basis promotes effective and efficient administration of bulk-power system reliability and should be approved. Such regulation may provide that the Commission may assign the ERO's authority to enforce reliability standards under paragraph (1) directly to a regional entity consistent with the requirements of this paragraph.

''(5) The Commission may take such action as is necessary or appropriate against the ERO or a regional entity to ensure compliance with a reliability standard or any Commission order affecting the ERO or a regional entity.

''(6) Any penalty imposed under this section shall bear a reasonable relation to the seriousness of the violation and shall take into consideration the efforts of such user, owner, or operator to remedy the violation in a timely manner.

''(f) CHANGES IN ELECTRIC RELIABILITY ORGANIZATION RULES.—The Electric Reliability Organization shall file with the Commission for approval any proposed rule or proposed rule change, accompanied by an explanation of its basis and purpose. The Commission, upon its own motion or complaint, may propose a change to the rules of the ERO. A proposed rule or proposed rule change shall take effect upon a finding by the Commission, after notice and opportunity for comment, that the change is just, reasonable, not unduly discriminatory or preferential, is in the public interest, and satisfies the requirements of subsection (c).

''(g) RELIABILITY REPORTS.—The ERO shall conduct periodic assessments of the reliability and adequacy of the bulk-power system in North America.

''(h) COORDINATION WITH CANADA AND MEXICO.—The President is urged to negotiate international agreements with the governments of Canada and Mexico to provide for effective compliance with reliability standards and the effectiveness of the ERO in the United States and Canada or Mexico.

''(i) SAVINGS PROVISIONS.—(1) The ERO shall have authority to develop and enforce compliance with reliability standards for only the bulk-power system.

''(2) This section does not authorize the ERO or the Commission to order the construction of additional generation or transmission capacity or to set and enforce compliance with standards for adequacy or safety of electric facilities or services.

''(3) Nothing in this section shall be construed to preempt any authority of any State to take action to ensure the safety, adequacy, and reliability of electric service within that State, as long as such action is not inconsistent with any reliability standard.

''(4) Within 90 days of the application of the Electric Reliability Organization or other affected party, and after notice and opportunity for comment, the Commission shall issue a final order determining whether a State action is inconsistent with a reliability standard, taking into consideration any recommendation of the ERO.

''(5) The Commission, after consultation with the ERO and the State taking action, may stay the effectiveness of any State action, pending the Commission's issuance of a final order.

''(j) REGIONAL ADVISORY BODIES.—The Commission shall establish a regional advisory body on the petition of at least ⅔ of the States within a region that have more than ½ of their electric load served within the region. A regional advisory body shall be composed of 1 member from each participating State in the region, appointed by the Governor of each State, and may include representatives of agencies, States, and provinces outside the United States. A regional advisory body may provide advice to the Electric Reliability Organization, a regional entity, or the Commission regarding the governance of an existing or proposed regional entity within the same region, whether a standard proposed to apply within the region is just, reasonable, not unduly discriminatory or preferential, and in the public interest, whether fees proposed to be assessed within the region are just, reasonable, not unduly discriminatory or preferential, and in the public interest and any other responsibilities requested by the Commission. The Commission may give deference to the advice of any such regional advisory body if that body is organized on an Interconnection-wide basis.

''(k) ALASKA AND HAWAII.—The provisions of this section do not apply to Alaska or Hawaii.''.

(b) STATUS OF ERO.—The Electric Reliability Organization certified by the Federal Energy Regulatory Commission under section 216(c) of the Federal Power Act and any regional entity delegated enforcement authority pursuant to section 216(e)(4) of that Act are not departments, agencies, or instrumentalities of the United States Government.

TITLE II—PROTECTING RETAIL CONSUMERS

SEC. 201. NATIVE LOAD SERVICE OBLIGATION.

Part II of the Federal Power Act (16 U.S.C. 824 et seq.) (as amended by section 105(a)) is amended by adding at the end the following:

''SEC. 217. NATIVE LOAD SERVICE OBLIGATION.

''(a) MEETING SERVICE OBLIGATIONS.—(1) Any load-serving entity that, as of the date of enactment of this section—

''(A) owns generation facilities, markets the output of Federal generation facilities, or holds rights under 1 or more wholesale contracts to purchase electric energy, for the purpose of meeting a service obligation, and

''(B) by reason of ownership of transmission facilities, or 1 or more contracts or service agreements for firm transmission service, holds firm transmission rights for delivery of the output of such generation facilities or such purchased energy to meet such service obligation, is entitled to use such firm transmission rights, or, equivalent tradable or financial transmission rights, in order to deliver such output or purchased energy, or the output of other generating facilities or purchased energy to the extent deliverable using such rights, to the extent required to meet its service obligation.

''(2) To the extent that all or a portion of the service obligation covered by such firm transmission rights or equivalent tradable or financial transmission rights is transferred to another load-serving entity, the successor load-serving entity shall be entitled to use the firm transmission rights or equivalent tradable or financial transmission rights associated with the transferred service obligation. Subsequent transfers to another load-serving entity, or back to the original load-serving entity, shall be entitled to the same rights.

''(3) The Commission shall exercise its authority under this Act in a manner that facilitates the planning and expansion of transmission facilities to meet the reasonable needs of load-serving entities to satisfy their service obligations.

''(b) ALLOCATION OF TRANSMISSION RIGHTS.—Nothing in this section shall affect any methodology approved by the Commission prior to September 15, 2003, for the allocation of transmission rights by an RTO or ISO that has been authorized by the Commission to allocate transmission rights.

''(c) CERTAIN TRANSMISSION RIGHTS.—The Commission may exercise authority under this Act to make transmission rights not used to meet an obligation covered by subsection (a) available to other entities in a manner determined by the Commission to be just, reasonable, and not unduly discriminatory or preferential.

''(d) OBLIGATION TO BUILD.—Nothing in this Act shall relieve a load-serving entity from any obligation under State or local law to build transmission or distribution facilities adequate to meet its service obligations.

''(e) CONTRACTS.—Nothing in this section shall provide a basis for abrogating any contract or service agreement for firm transmission service or rights in effect as of the date of the enactment of this subsection.

''(f) WATER PUMPING FACILITIES.—The Commission shall ensure that any entity described in section 201(f) that owns transmission facilities used predominately to support its own water pumping facilities shall have, with respect to such facilities, protections for transmission service comparable to those provided to load-serving entities pursuant to this section.

''(g) ERCOT.—This section shall not apply within the area referred to in section 212(k)(2)(A).

''(h) JURISDICTION.—This section does not authorize the Commission to take any action not otherwise within its jurisdiction.

''(i) EFFECT OF EXERCISING RIGHTS.—An entity that lawfully exercises rights granted under subsection (a) shall not be considered by such action as engaging in undue discrimination or preference under this Act.

''(j) DEFINITIONS.—For purposes of this section:

''(1) The term 'distribution utility' means an electric utility that has a service obligation to end-users or to a State utility or electric cooperative that, directly or indirectly, through 1 or more additional State utilities or electric cooperatives, provides electric service to end-users.

''(2) The term 'load-serving entity' means a distribution utility or an electric utility that has a service obligation.

''(3) The term 'service obligation' means a requirement applicable to, or the exercise of authority granted to, an electric utility under Federal, State or local law or under long-term contracts to provide electric service to end-users or to a distribution utility.

''(4) The term 'State utility' means a State or any political subdivision of a State, or any agency, authority, or instrumentality of any 1 or more of the foregoing, or a corporation which is wholly owned, directly or indirectly, by any 1 or more of the foregoing, competent to carry on the business of developing, transmitting, utilizing or distributing power.''.

SEC. 202. VOLUNTARY TRANSMISSION PRICING PLANS.

Part II of the Federal Power Act (16 U.S.C. 824 et seq.) (as amended by section 201) is amended by adding at the end the following:

''SEC. 218. VOLUNTARY TRANSMISSION PRICING PLANS.

''(a) IN GENERAL.—Any transmission provider, including an RTO or ISO, may submit

to the Commission a plan or plans under section 205 containing the criteria for determining the person or persons that will be required to pay for any construction of new transmission facilities or expansion, modification or upgrade of transmission facilities (in this section referred to as 'transmission service related expansion') or new generator interconnection.

''(b) VOLUNTARY TRANSMISSION PRICING PLANS.—(1) Any plan or plans submitted under subsection (a) shall specify the method or methods by which costs may be allocated or assigned. Such methods may include, but are not limited to:

''(A) directly assigned;

''(B) participant funded; or

''(C) rolled into regional or sub-regional rates.

''(2) FERC shall approve a plan or plans submitted under subparagraph (B) of paragraph (1) if such plan or plans—

''(A) result in rates that are just and reasonable and not unduly discriminatory or preferential consistent with section 205; and

''(B) ensure that the costs of any transmission service related expansion or new generator interconnection not required to meet applicable reliability standards established under section 216 are assigned in a fair manner, meaning that those who benefit from the transmission service related expansion or new generator interconnection pay an appropriate share of the associated costs, provided that—

''(i) costs may not be assigned or allocated to an electric utility if the native load customers of that utility would not have required such transmission service related expansion or new generator interconnection absent the request for transmission service related expansion or new generator interconnection that necessitated the investment;

''(ii) the party requesting such transmission service related expansion or new generator interconnection shall not be required to pay for both—

''(I) the assigned cost of the upgrade; and

''(II) the difference between—

''(aa) the embedded cost paid for transmission services (including the cost of the requested upgrade); and

''(bb) the embedded cost that would have been paid absent the upgrade; and

''(iii) the party or parties who pay for facilities necessary for the transmission service related expansion or new generator interconnection receives full compensation for its costs for the participant funded facilities in the form of—

''(I) monetary credit equal to the cost of the participant funded facilities (accounting for the time value of money at the Gross Domestic Product deflator), which credit shall be pro-rated in equal installments over a period of not more than 30 years and shall not exceed in total the amount of the initial investment, against the transmission charges that the funding entity or its assignee is otherwise assessed by the transmission provider;

''(II) appropriate financial or physical rights; or

''(III) any other method of cost recovery or compensation approved by the Commission.

''(3) A plan submitted under this section shall apply only to—

''(A) a contract or interconnection agreement executed or filed with the Commission after the date of enactment of this section; or

''(B) an interconnection agreement pending rehearing as of November 1, 2003.

''(4) Nothing in this section diminishes or alters the rights of individual members of an RTO or ISO under this Act.

''(5) Nothing in this section shall affect the allocation of costs or the cost methodology employed by an RTO or ISO authorized by the Commission to allocate costs (including costs for transmission service related expansion or new generator interconnection) prior to the date of enactment of this section.

''(6) This section shall not apply within the area referred to in section 212(k)(2)(A).

''(7) The term 'transmission provider' means a public utility that owns or operates facilities that provide interconnection or transmission service in interstate commerce.''.

TITLE III—VOLUNTARY PARTICIPATION IN REGIONAL TRANSMISSION ORGANIZATIONS

SEC. 301. PROMOTION OF VOLUNTARY DEVELOPMENT OF REGIONAL TRANSMISSION ORGANIZATIONS, INDEPENDENT TRANSMISSION PROVIDERS, AND SIMILAR ORGANIZATIONS.

Part II of the Federal Power Act (16 U.S.C. 824 et seq.) (as amended by section 202) is amended by adding at the end thereof the following new section:

''SEC. 219. PROMOTION OF VOLUNTARY DEVELOPMENT OF REGIONAL TRANSMISSION ORGANIZATIONS, INDEPENDENT TRANSMISSION PROVIDERS, AND SIMILAR ORGANIZATIONS.

''(a) IN GENERAL.—The Commission may approve and may encourage the formation of regional transmission organizations, independent transmission providers, and similar organizations (referred to in this section as 'transmission organizations') for the purpose of enhancing the transmission of electric energy in interstate commerce. Among options for the formation of a transmission organization, the Commission shall prefer those in which—

''(1) participation in the organization by transmitting utilities is voluntary;

''(2) the form, structure, and operating entity of the organization are approved of by participating transmitting utilities; and

''(3) market incentives exist to promote investment for expansion of transmission facilities and for the introduction of new transmission technologies within the territory of the organization.

''(b) CONDITIONS.—No order issued under this Act shall be conditioned upon or require a transmitting utility to transfer operational control of jurisdictional facilities to an independent system operator or other transmission organization.

''(c) COMPLAINT.—In addition to any other rights or remedies it may have under this Act, any entity serving electric load that is denied services by a transmission organization that the transmission organization makes available to other load serving entities shall be entitled to file a complaint with the Commission concerning the denial of such services. If the Commission shall find, after an evidentiary hearing on the record, that the denial of services complained of was unjust, unreasonable, unduly discriminatory or preferential, or contrary to the public interest, the Commission may order the provision of such services at rates and on terms and conditions that shall be in accordance with this Act.''.

By Mr. DODD:

S. 499. A bill to amend the Consumer Credit Protection Act to ban abusive credit practices, enhance consumer disclosures, protect underage consumers, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

Mr. DODD. Mr. President, I rise today to introduce legislation, the Credit CARD Act of 2005 (the Credit Card Accountability Responsibility and Disclosure Act of 2005), designed to protect our Nation's consumers from the predatory practices of the credit card industry.

The Credit CARD Act is substantially the same as legislation I previously introduced in the 108th Congress. As the Senate considers bankruptcy reform legislation, which I believe will adversely impact consumers and inappropriately reward the credit card industry, the Credit CARD Act is needed now more than ever before.

I ask unanimous consent that the text of the legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 499

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

This Act may be cited as the ''Credit Card Accountability Responsibility and Disclosure Act of 2005'' or the ''Credit CARD Act of 2005''.

SEC. 2. REGULATORY AUTHORITY.

The Board of Governors of the Federal Reserve System may issue such rules or publish such model forms as it considers necessary to carry out this Act and the amendments made by this Act.

TITLE I—ABUSIVE PRACTICES

Subtitle A—Use of Default Clauses

SEC. 111. PRIOR NOTICE OF RATE INCREASES REQUIRED.

Section 127 of the Truth in Lending Act (15 U.S.C. 1637) is amended by adding at the end the following:

''(h) ADVANCE NOTICE OF INCREASE IN INTEREST RATE REQUIRED.—

''(1) IN GENERAL.—In the case of any credit card account under an open end consumer credit plan, no increase in any annual percentage rate of interest (other than an increase due to the expiration of any introductory percentage rate of interest, or due solely to a change in another rate of interest to which such rate is indexed)—

''(A) may take effect before the beginning of the billing cycle which begins not less than 15 days after the obligor receives notice of such increase; or

''(B) may apply to any outstanding balance of credit under such plan as of the date of the notice of the increase required under paragraph (1).

''(2) NOTICE OF RIGHT TO CANCEL.—The notice referred to in paragraph (1) with respect to an increase in any annual percentage rate of interest shall be made in a clear and conspicuous manner and shall contain a brief statement of the right of the obligor to cancel the account before the effective date of the increase.''.

SEC. 112. FREEZE ON INTEREST RATE TERMS AND FEES ON CANCELED CARDS.

Section 127 of the Truth in Lending Act (15 U.S.C. 1637), as amended by this Act, is amended by adding at the end the following:

''(i) FREEZE ON INTEREST RATE TERMS AND FEES ON CANCELED CARDS.—If an obligor referred to in subsection (h) closes or cancels a credit card account before the beginning of

the billing cycle referred to in subsection (h)(1)—

''(1) an annual percentage rate of interest applicable after the cancellation with respect to the outstanding balance on the account as of the date of cancellation may not exceed any annual percentage rate of interest applicable with respect to such balance under the terms and conditions in effect before the date of the notice of any increase referred to in subsection (h)(1); and

''(2) the repayment of the outstanding balance after the cancellation shall be subject to all other terms and conditions applicable with respect to such account before the date of the notice of the increase referred to in subsection (h).''.

SEC. 113. LIMITS ON FINANCE AND INTEREST CHARGES FOR ON-TIME PAYMENTS.

Section 127 of the Truth in Lending Act (15 U.S.C. 1637), as amended by this Act, is amended by adding at the end the following:

''(j) PROHIBITION ON PENALTIES FOR ON-TIME PAYMENTS.—

''(1) PROHIBITION ON FINANCE CHARGES FOR ON-TIME PAYMENTS.—In the case of any credit card account under an open end credit plan, where no other balance is owing on the account, no finance or interest charge may be imposed with regard to any amount of a new extension of credit that was paid on or before the date on which it was due.

''(2) PROHIBITION ON CANCELLATION OR ADDITIONAL FEES FOR ON-TIME PAYMENTS OR PAYMENT IN FULL.—In the case of any credit card account under an open end consumer credit plan, no fee or other penalty may be imposed on the consumer in connection with the payment in full of an existing account balance, or payment of more than the minimum required payment of an existing account balance.''.

SEC. 114. PROHIBITION ON OVER-THE-LIMIT FEES FOR CREDITOR-APPROVED TRANSACTIONS.

Section 127 of the Truth in Lending Act (15 U.S.C. 1637), as amended by this Act, is amended by adding at the end the following:

''(k) LIMITATION ON IMPOSITION OF OVER-THE-LIMIT FEES.—In the case of any credit card account under an open end consumer credit plan, a creditor may not impose any fees on the obligor for any extension of credit in excess of the amount of credit authorized to be extended with respect to such account, if the extension of credit is made in connection with a credit transaction which the creditor approves in advance or at the time of the transaction.''.

TITLE II—ENHANCED CONSUMER DISCLOSURES

SEC. 211. DISCLOSURES RELATED TO "TEASER RATES".

Section 127(c) of the Truth in Lending Act (15 U.S.C. 1637(c)) is amended—

(1) by redesignating paragraph (5) as paragraph (7); and

(2) by inserting after paragraph (4) the following:

''(5) ADDITIONAL NOTICE CONCERNING 'TEASER RATES'.—

''(A) IN GENERAL.—An application or solicitation for a credit card for which a disclosure is required under this subsection shall contain the disclosures referred to in subparagraph (B) or (C), as applicable, if the application or solicitation offers, for an introductory period of less than 1 year, an annual percentage rate of interest that—

''(i) is less than the annual percentage rate of interest which will apply after the end of the introductory period; or

''(ii) in the case of an annual percentage rate which varies in accordance with an index, is less than the current annual percentage rate under the index which will apply after the end of the introductory period.

''(B) FIXED ANNUAL PERCENTAGE RATE.—If the annual percentage rate which will apply after the end of the introductory period will be a fixed rate, the application or solicitation shall include the following disclosure: 'The annual percentage rate of interest applicable during the introductory period is not the annual percentage rate which will apply after the end of the introductory period. The non-introductory annual percentage rate will apply after [insert applicable date] and will be [insert applicable percentage rate].'.

''(C) VARIABLE ANNUAL PERCENTAGE RATE.—If the annual percentage rate which will apply after the end of the introductory period will vary in accordance with an index, the application or solicitation shall include the following disclosure: 'The annual percentage rate of interest applicable during the introductory period is not the annual percentage rate which will apply after the end of the introductory period. The permanent annual percentage rate will be determined by an index and will apply after [insert applicable date]. If the index which will apply after such date were applied to your account today, the annual percentage rate would be [insert applicable percentage rate].'.

''(D) CONDITIONS FOR INTRODUCTORY RATES.—If the annual percentage rate of interest which will apply during the introductory period described in subparagraph (A) is revocable or otherwise conditioned upon any action by the obligor, including any failure by the obligor to pay the minimum payment amount or finance charge or to make any payment by the stated monthly payment due date, the application or solicitation shall include a disclosure of—

''(i) the conditions that the obligor must meet in order to retain the annual percentage rate of interest during the introductory period; and

''(ii) the annual percentage rate of interest that will apply as a result of the failure of the obligor to meet such conditions.

''(E) FORM OF DISCLOSURES.—The disclosures required under this paragraph shall be made in a clear and conspicuous manner, in a format that is at least as prominent as the disclosure of the annual percentage rate of interest which will apply during the introductory period.''.

SEC. 212. PAYOFF TIMING DISCLOSURES.

(a) IN GENERAL.—Section 127(b) of the Truth in Lending Act (15 U.S.C. 1637(b)) is amended by adding at the end the following:

''(11)(A) Repayment information that would apply to the outstanding balance of the consumer under the credit plan, including—

''(i) the outstanding balance in the account at the beginning of the statement period, as required by paragraph (1) of this subsection;

''(ii) the required minimum monthly payment on that balance, represented as both a dollar figure and as a percentage of that balance;

''(iii) the due date, within which, payment must be made to avoid addition charges, as required by paragraph (9) of this subsection;

''(iv) the number of months (rounded to the nearest month) that it would take to pay the entire amount of that balance, if the consumer pays only the required minimum monthly payments and if no further advances are made;

''(v) the total cost to the consumer, including interest and principal payments, of paying that balance in full, if the consumer pays only the required minimum monthly payments and if no further advances are made; and

''(vi) the monthly payments amount that would be required for the consumer to eliminate the outstanding balance in 36 months if no further advances are made.

''(B)(i) Subject to clause (ii), in making the disclosures under subparagraph (A) the creditor shall apply the interest rate in effect on the date on which the disclosure is made until the date on which the balance would be paid in full.

''(ii) If the interest rate in effect on the date on which the disclosure is made is a temporary rate that will change under a contractual provision applying an index or formula for subsequent interest rate adjustment, the creditor shall apply the interest rate in effect on the date on which the disclosure is made for as long as that interest rate will apply under that contractual provision, and then apply an interest rate based on the index or formula in effect on the applicable billing date.

''(C) FORM OF DISCLOSURE.—

''(i) IN GENERAL.—All of the information described in subparagraph (A) shall—

''(I) be disclosed in the form and manner which the Board shall prescribe by regulations; and

''(II) be placed in a conspicuous and prominent location on the billing statement in typeface that is at least as large as the largest type on the statement, but in no instance less than 12-point in size.

''(D) TABULAR FORMAT.—

''(i) FORM OF TABLE TO BE PRESCRIBED.—In the regulations prescribed under subparagraph (C), the Board shall require that the disclosure of such information shall be in the form of a table that—

''(I) contains clear and concise headings for each item of such information; and

''(II) provides a clear and concise form stating each item of information required to be disclosed under each such heading.

''(E) REQUIREMENTS REGARDING LOCATION AND ORDER OF TABLE.—In prescribing the form of the table under subparagraph (D), the Board shall require that—

''(i) all of the information in the table, and not just a reference to the table, be placed on the billing statement, as required by this subparagraph; and

''(ii) the items required to be included in the table shall be listed in the order in which such items are set forth in subparagraph (A).

''(F) BOARD DISCRETION IN PRESCRIBING ORDER AND WORDING OF TABLE.—In prescribing the form of the table under subparagraph (C), the Board shall—

''(i) employ terminology which is different than the terminology which is employed in subparagraph (A), if such terminology is easily understood and conveys substantially the same meaning.''.

(b) CIVIL LIABILITY.—Section 130(a) of the Truth in Lending Act (15 U.S.C. 1640(a)) is amended, in the undesignated paragraph following paragraph (4), by striking the second sentence and inserting the following: ''In connection with the disclosures referred to in subsections (a) and (b) of section 127, a creditor shall have a liability determined under paragraph (2) only for failing to comply with the requirements of section 125, 127(a), or paragraph (4), (5), (6), (7), (8), (9), (10), or (11) of section 127(b), or for failing to comply with disclosure requirements under State law for any term or item that the Board has determined to be substantially the same in meaning under section 111(a)(2) as

any of the terms or items referred to in section 127(a), or paragraph (4), (5), (6), (7), (8), (9), (10), or (11) of section 127(b).

SEC. 213. REQUIREMENTS RELATING TO LATE PAYMENT DEADLINES AND PENALTIES.

Section 127 of the Truth in Lending Act (15 U.S.C. 1637), as amended by this Act, is amended by adding at the end the following:

''(1) REQUIREMENTS RELATING TO LATE PAYMENT DEADLINES AND PENALTIES.—

''(1) LATE PAYMENT DEADLINE AND POSTMARK DATE REQUIRED TO BE DISCLOSED.—In the case of a credit card account under an open end consumer credit plan under which a late fee or charge may be imposed due to the failure of the obligor to make payment on or before the due date for such payment, the periodic statement required under subsection (b) with respect to the account shall include, in a conspicuous location on the billing statement—

''(A) the date on which the payment is due or, if different, the date on which a late payment fee will be charged, together with the amount of the fee or charge to be imposed if payment is made after that date;

''(B) the date by which the payment must be postmarked, if paid by mail, in order to avoid the imposition of a late payment fee with respect to the payment; and

''(C) a statement that no late fee may be imposed in connection with a payment made by mail which was postmarked on or before the postmark date.

''(2) DISCLOSURE OF INCREASE IN INTEREST RATES FOR LATE PAYMENTS.—If 1 or more late payments under an open end consumer credit plan may result in an increase in the annual percentage rate the account, the statement required under subsection (b) with respect to the account shall include conspicuous notice of such fact, together with the applicable penalty annual percentage rate, in close proximity to the disclosure required in paragraph (1) of the date on which payment is due under the terms of the account.

''(3) REQUIREMENTS RELATING TO POSTMARK DATE.—

''(A) IN GENERAL.—The date included in a periodic statement pursuant to paragraph (1)(B) with regard to the postmark on a payment shall allow, in accordance with regulations prescribed by the Board under subparagraph (B), a reasonable time for the consumer to make the payment and a reasonable time for the delivery of the payment by the due date.

''(B) BOARD REGULATIONS.—The Board shall prescribe guidelines for determining a reasonable period of time for making a payment and delivery of a payment for purposes of subparagraph (A), after consultation with the Postmaster General and representatives of consumer and trade organizations.

''(4) PAYMENT AT LOCAL BRANCHES.—If the creditor, in the case of a credit card account referred to in paragraph (1), is a financial institution which maintains branches or offices at which payments on any such account are accepted from the obliger in person, the date on which the obliger makes a payment on the account at such branch or office shall be considered as the date on which the payment is made for purposes of determining whether a late fee or charge may be imposed due to the failure of the obligor to make payment on or before the due date for such payment, to the extent that such payment is made before the close of business of the branch or office on the business day immediately preceding the due date for such payment.''.

TITLE III—RESPONSIBILITIES IN BANKRUPTCY

SEC. 311. AMENDMENTS TO THE BANKRUPTCY CODE.

Section 523(a)(2)(C) of title 11, United States Code, is amended by adding at the end the following: ''However, this subparagraph shall not apply for any portion of debt incurred under an open end credit plan, as defined in section 103 of the Truth in Lending Act, if the annual rate of interest charged with respect to the account was more than 20 percentage points above the Federal prime lending rate on the last day of month during which the interest was charged.''.

TITLE IV—PROTECTION OF YOUNG CONSUMERS

SEC. 411. EXTENSIONS OF CREDIT TO UNDERAGE CONSUMERS.

Section 127(c) of the Truth in Lending Act (15 U.S.C. 1637(c)) is amended by inserting after paragraph (5), as added by this Act, the following:

''(6) APPLICATIONS FROM UNDERAGE CONSUMERS.—

''(A) PROHIBITION ON ISSUANCE.—No credit card may be issued to, or open end credit plan established on behalf of, a consumer who has not attained the age of 21, unless the consumer has submitted a written application to the card issuer that meets the requirements of subparagraph (B).

''(B) APPLICATION REQUIREMENTS.—An application to open a credit card account by an individual who has not attained the age of 21 as of the date of submission of the application shall require—

''(i) the signature of the parent, legal guardian, or spouse of the consumer, or any other individual having a means to repay debts incurred by the consumer in connection with the account, indicating joint liability for debts incurred by the consumer in connection with the account before the consumer has attained the age of 21;

''(ii) submission by the consumer of financial information indicating an independent means of repaying any obligation arising from the proposed extension of credit in connection with the account; or

''(iii) proof by the consumer that the consumer has completed a credit counseling course of instruction by a nonprofit budget and credit counseling agency approved by the Board for such purpose.

''(C) MINIMUM REQUIREMENTS FOR COUNSELING AGENCIES.—To be approved by the Board under subparagraph (B)(iii), a credit counseling agency shall, at a minimum—

''(i) be a nonprofit budget and credit counseling agency, the majority of the board of directors of which—

''(I) is not employed by the agency; and

''(II) will not directly or indirectly benefit financially from the outcome of a credit counseling session;

''(ii) if a fee is charged for counseling services, charge a reasonable fee, and provide services without regard to ability to pay the fee; and

''(iii) provide trained counselors who receive no commissions or bonuses based on referrals, and demonstrate adequate experience and background in providing credit counseling.''.

SEC. 412. ENHANCED PENALTIES.

Section 130(a)(2)(A) of the Truth in Lending Act (15 U.S.C. 1640 (a)(2)(A)(iii)) is amended by striking ''or (iii) in the'' and inserting the following:

''(iii) in the case of an individual action relating to an open end credit plan that is not secured by real property or a dwelling, twice the amount of any finance charge in connection with the transaction, with a minimum of $500 and a maximum of $5,000 or such higher amount as may be appropriate in the case of an established pattern or practice of such failures; or

''(iv) in the''.

SEC. 413. RESTRICTIONS ON CERTAIN AFFINITY CARDS.

Section 127 of the Truth in Lending Act (15 U.S.C. 1637), as amended by this Act, is amended by adding at the end the following:

''(m) RESTRICTIONS ON ISSUANCE OF AFFINITY CARDS TO STUDENTS.—No credit card account under an open end credit plan may be established by an individual who has not attained the age of 21 as of the date of submission of the application pursuant to any agreement relating to affinity cards, as defined by the Board, between the creditor and an institution of higher education, as defined in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a)), unless the requirements of section 127(c)(6) are met with respect to the obliger.''.

AMENDMENTS SUBMITTED AND PROPOSED

SA 28. Mr. KENNEDY proposed an amendment to the bill S. 256, to amend title 11 of the United States Code, and for other purposes.

SA 29. Mr. KENNEDY proposed an amendment to the bill S. 256, supra.

SA 30. Mr. CORNYN submitted an amendment intended to be proposed by him to the bill S. 256, supra; which was ordered to lie on the table.

SA 31. Mr. DAYTON proposed an amendment to the bill S. 256, supra.

SA 32. Mr. CORZINE (for himself, Ms. MIKULSKI, and Mr. LAUTENBERG) proposed an amendment to the bill S. 256, supra.

SA 33. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 256, supra; which was ordered to lie on the table.

SA 34. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 256, supra; which was ordered to lie on the table.

SA 35. Mr. NELSON, of Nebraska submitted an amendment intended to be proposed by him to the bill S. 256, supra; which was ordered to lie on the table.

SA 36. Mr. KOHL submitted an amendment intended to be proposed by him to the bill S. 256, supra; which was ordered to lie on the table.

SA 37. Mr. NELSON, of Florida (for himself, Mr. DURBIN, Mr. SCHUMER, and Mrs. CLINTON) proposed an amendment to the bill S. 256, supra.

SA 38. Mr. DURBIN proposed an amendment to the bill S. 256, supra.

SA 39. Mr. KERRY submitted an amendment intended to be proposed by him to the bill S. 256, supra; which was ordered to lie on the table.

SA 40. Mr. PRYOR submitted an amendment intended to be proposed by him to the bill S. 256, supra; which was ordered to lie on the table.

SA 41. Mr. KERRY submitted an amendment intended to be proposed by him to the bill S. 256, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 28. Mr. KENNEDY proposed an amendment to the bill S. 256, to amend

title 11 of the United States Code, and for other purposes; as follows:

On page 19, between lines 13 and 14, insert the following:

''(8)(A) No judge, United States trustee (or bankruptcy administrator, if any), trustee, or other party in interest may file a motion under paragraph (2) if the debtor is a medically distressed debtor.

''(B) In this paragraph, the term 'medically distressed debtor' means a debtor who, in any consecutive 12-month period during the 3 years before the date of the filing of the petition—

''(i) had medical expenses for the debtor, a dependent of the debtor, or a member of the debtor's household that were not paid by any third party payor and were in excess of 25 percent of the debtor's household income for such 12-month period;

''(ii) was a member of a household in which 1 or more members (including the debtor) lost all or substantially all of the member's employment or business income for 4 or more weeks during such 12-month period due to a medical problem of a member of the household or a dependent of the debtor; or

''(iii) was a member of a household in which 1 or more members (including the debtor) lost all or substantially all of the member's alimony or support income for 4 or more weeks during such 12-month period due to a medical problem of a person obligated to pay alimony or support.''.

SA 29. Mr. KENNEDY proposed an amendment to the bill S. 256, to amend title 11 of the United States Code, and for other purposes; as follows:

On page 191, between lines 11 and 12, insert the following:

SEC. 322A. EXEMPTION FOR MEDICALLY DISTRESSED DEBTORS.

Section 522 of title 11, United States Code, as amended by sections 224, 308, and 322, is amended by adding at the end the following:

''(r)(1) For a debtor who is a medically distressed debtor, if the debtor elects to exempt property—

''(A) under subsection (b)(2), then in lieu of the exemption provided under subsection (d)(1), the debtor may elect to exempt the debtor's aggregate interest, not to exceed $150,000 in value, in real property or personal property that the debtor or a dependent of the debtor uses as a residence, in a cooperative that owns property that the debtor or a dependent of the debtor uses as a residence, or in a burial plot for the debtor or a dependent of the debtor; or

''(B) under subsection (b)(3), then if the exemption provided under applicable law specifically for such property is for less than $150,000 in value, the debtor may elect in lieu of such exemption to exempt the debtor's aggregate interest, not to exceed $150,000 in value, in any such real or personal property, cooperative, or burial plot.

''(2) In this subsection, the term 'medically distressed debtor' means a debtor who, in any consecutive 12-month period during the 3 years before the date of the filing of the petition—

''(A) had medical expenses for the debtor, a dependent of the debtor, or a member of the debtor's household that were not paid by any third party payor and were in excess of 25 percent of the debtor's household income for such 12-month period;

''(B) was a member of a household in which 1 or more members (including the debtor) lost all or substantially all of the member's employment or business income for 4 or more weeks during such 12-month period due to a medical problem of a member of the household or a dependent of the debtor; or

''(C) was a member of a household in which 1 or more members (including the debtor) lost all or substantially all of the member's alimony or support income for 4 or more weeks during such 12-month period due to a medical problem of a person obligated to pay alimony or support.''.

SA 30. Mr. CORNYN submitted an amendment intended to be proposed by him to the bill S. 256, to amend title 11 of the United States Code, and for other purposes; which was ordered to lie on the table; as follows:

On page 213, strike lines 1 through 7, and insert the following:

SEC. 410. VENUE OF CERTAIN PROCEEDINGS.

(a) CURE OR WAIVER OF DEFECTS.—Section 1406(c) of title 28, United States Code, is amended to read as follows:

''(c) As used in this section—

''(1) the term 'district court'—

''(A) includes the District Court of Guam, the District Court of the Northern Mariana Islands, and the District Court of the Virgin Islands; and

''(B) with regard to cases pending before a bankruptcy court, includes a bankruptcy court; and

''(2) the term 'district' includes the territorial jurisdiction of each district court.''.

(b) VENUE IN BANKRUPTCY CASES.—Section 1408 of title 28, United States Code, is amended—

(1) by inserting ''(a)'' before ''Except'';

(2) in paragraph (1), by striking ''or'' at the end; and

(3) by striking paragraph (2) and inserting the following:

''(2) in which a case under title 11 concerning the controlling corporation is pending, if—

''(A) the debtor is controlled by another corporation;

''(B) within the 730 days before the date of the debtor's filing under title 11, the financial statements of the debtor have been consolidated with those of the controlling corporation in 1 or more reports filed under section 13 or 15(d) of the Securities Exchange Act of 1934; and

''(C) the controlling corporation is a debtor in a proceeding under title 11; or

''(3) in which a case under title 11 concerning the controlling corporation is pending, if—

''(A) the debtor is a corporation other than a corporation described in paragraph (2);

''(B) the debtor has been controlled by another corporation for not less than 365 days before the date of the filing of the debtor's petition under title 11; and

''(C) the controlling corporation is a debtor in a proceeding under title 11.

''(b) For purposes of subsection (a)—

''(1) if the debtor is a corporation, the domicile and residence of the debtor are located where the debtor's principal place of business is located; and

''(2) the term 'control' has the meaning given that term in section 2 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841).''.

(c) VENUE IN BANKRUPTCY RELATED CASES.—Section 1409(b) of title 28, United States Code, is amended by striking ''or a consumer debtor of less than $5,000'' and inserting '', a consumer debt of less than $15,000, or a debt (excluding a consumer debt) against a noninsider of less than $10,000,''.

SA 31. Mr. DAYTON proposed an amendment to the bill S. 256, to amend title 11 of the United States Code, and for other purposes; as follows:

At the appropriate place, insert the following:

SEC. ___. TERMS OF CONSUMER CREDIT.

(a) CAP ON INTEREST CHARGEABLE.—A creditor who extends credit to any consumer shall not impose a rate of interest in excess of an annual rate of 30 percent with respect to the credit extended.

(b) PREEMPTION OF STATE LAW.—The provisions governing rates of interest under subsection (a) shall preempt all State usury laws.

(c) EXEMPTION TO PREEMPTION.—If a State imposes a limit on the rate of interest chargeable to an extension of credit that is less than the limit imposed under subsection (a), that State law shall not be preempted and shall remain in full force and effect in that State.

SA 32. Mr. CORZINE (for himself, Ms. MIKULSKI, and Mr. LAUTENBERG) proposed an amendment to the bill S. 256, to amend title 11 of the United States Code, and for other purposes; as follows:

On page 19, strike line 13, and insert the following:

monthly income.

''(8) No judge, United States trustee (or bankruptcy administrator, if any), trustee, or other party in interest may file a motion under paragraph (2) if the debtor is an economically distressed caregiver.''.

On page 113, between lines 19 and 20, insert the following:

(4) by inserting after paragraph (14A), as added by this Act, the following:

''(14B) 'economically distressed caregiver' means a caregiver who, in any consecutive 12-month period during the 3 years before the date of the filing of the petition—

''(A) experienced a reduction in employment for not less than 1 month to care for a family member, including a spouse, child, sibling, parent, grandparent, aunt, or uncle; or

''(B) who has incurred medical expenses on behalf of a family member, including a spouse, child, sibling, parent, grandparent, aunt, or uncle, that were not paid by any third party payer and were in excess of the lessor of—

''(i) 25 percent of the debtor's household income for such 12-month period; or

''(ii) $10,000.''; and

(5) by inserting after paragraph (44), the following:

''(44A) 'reduction in employment' means a downgrade in employment status that correlates to a reduction in wages, work hours, or results in unemployment.''.

SA 33. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 256, to amend title 11 of the United States Code, and for other purposes; which was ordered to lie on the table; as follows:

On page 505, after line 13, add the following:

TITLE XVI—PERSONAL DATA OFFSHORING PROTECTION

SEC. 1601. SHORT TITLE.

This title may be cited as the ''Personal Data Offshoring Protection Act of 2005''.

SEC. 1602. DEFINITIONS.

As used in this title, the following definitions apply:

(1) BUSINESS ENTERPRISE.—The term ''business enterprise'' means any organization, association, or venture established to make a profit, or any private, nonprofit organization that collects or retains personally identifiable information.

(2) COUNTRY WITH ADEQUATE PRIVACY PROTECTION.—The term ''country with adequate privacy protection'' means a country that has been certified by the Federal Trade Commission as having a legal system that provides adequate privacy protection for personally identifiable information.

(3) PERSONALLY IDENTIFIABLE INFORMATION.—The term ''personally identifiable information'' includes information such as—

(A) name;
(B) postal address;
(C) financial information;
(D) medical records;
(E) date of birth;
(F) phone number;
(G) e-mail address;
(H) social security number;
(I) mother's maiden name;
(J) password;
(K) state identification information;
(L) driver's license number;
(M) personal tax information; and
(N) any consumer transactional or experiential information relating to the person.

(4) TRANSMIT.—The term ''transmit'' or ''transmission'' means the use of any instrumentality of interstate commerce, including the mails or any electronic means, to transfer information or to provide access to such information via the Internet or any comparable telecommunications system.

SEC. 1603. PROTECTION OF PERSONALLY IDENTIFIABLE INFORMATION FROM UNAUTHORIZED TRANSMISSION.

(a) IN GENERAL.—A business enterprise may transmit personally identifiable information regarding a citizen of the United States to any foreign affiliate or subcontractor located in a country that is a country with adequate privacy protection, provided that the citizen has been provided prior notice that such information may be transmitted to such a foreign affiliate or subcontractor and has not objected to such transmission.

(b) ''OPT-IN'' CONSENT REQUIRED FOR COUNTRIES WITHOUT ADEQUATE PRIVACY PROTECTION.—A business enterprise may not transmit personally identifiable information regarding a citizen of the United States to any foreign affiliate or subcontractor located in a country that is a country without adequate privacy protection unless—

(1) the business enterprise discloses to the citizen that the country to which the information will be transmitted does not have adequate privacy protection and specifies in the disclosure the country to which the information will be transmitted;

(2) the business enterprise obtains consent from the citizen, before a consumer relationship is established or before the effective date of this title, to transmit such information to such foreign affiliate or subcontractor and such consent contains a list that indicates each country to which the information will be sent; and

(3) the consent referred to in paragraph (2) is renewed by the citizen within 1 year before such information is transmitted.

(c) PROHIBITION ON REFUSAL TO PROVIDE SERVICES.—A business enterprise shall not deny the provision of any good or service to, nor change the terms of or refuse to enter into a business relationship with any person based upon that person's exercise of the consent rights provided for in this title or in any other applicable law.

SEC. 1604. ENFORCEMENT BY THE FEDERAL TRADE COMMISSION.

(a) UNFAIR AND DECEPTIVE ACT OR PRACTICE.—A violation of this title shall be treated as a violation of a rule defining an unfair or deceptive act or practice prescribed under section 18(a)(1)(B) of the Federal Trade Commission Act (15 U.S.C. 57a(a)(1)(B)).

(b) ENFORCEMENT AUTHORITY.—The Federal Trade Commission shall enforce this title in the same manner, by the same means, and with the same jurisdiction, powers, and duties as though all applicable terms and provisions of the Federal Trade Commission Act (15 U.S.C. 41 et seq.) were incorporated into and made a part of this title.

SEC. 1605. CIVIL REMEDIES.

(a) PRIVATE RIGHT OF ACTION.—A person or entity may, if otherwise permitted by the laws or rules of court of a State, bring in an appropriate court of that State—

(1) an action based on a violation of this title or the regulations prescribed pursuant to this title to enjoin such violation;

(2) an action to recover for actual monetary loss from such a violation, or to receive $10,000 in damages for each such violation, whichever is greater, or

(3) both such actions.

If the court finds that the defendant willfully or knowingly violated this subsection or the regulations prescribed under this subsection, the court may, in its discretion, increase the amount of the award to an amount equal to not more than 3 times the amount available under paragraph (2).

(b) ACTIONS BY STATES.—

(1) AUTHORITY OF STATES.—Whenever the attorney general of a State, or an official or agency designated by a State, has reason to believe that any person has engaged or is engaging in a violation of this title or the regulations prescribed pursuant to this title, the State may bring a civil action on behalf of its residents to enjoin such violation, an action to recover for actual monetary loss or receive $10,000 in damages for each violation, or both such actions. If the court finds the defendant willfully or knowingly violated this title or regulations prescribed pursuant to this title, the court may, in its discretion, increase the amount of the award to an amount equal to not more than 3 times the amount available under the preceding sentence.

(2) EXCLUSIVE JURISDICTION OF FEDERAL COURTS.—The district courts of the United States, the United States courts of any territory, and the District Court of the United States for the District of Columbia shall have exclusive jurisdiction over all civil actions brought under this subsection. Upon proper application, such courts shall also have jurisdiction to issue writs of mandamus, or orders affording like relief, commanding the defendant to comply with the provisions of this title or regulations prescribed pursuant to this title, including the requirement that the defendant take such action as is necessary to remove the danger of such violation. Upon a proper showing, a permanent or temporary injunction or restraining order shall be granted without bond.

(3) NOTICE TO AN INTERVENTION OF FEDERAL TRADE COMMISSION.—The State bringing a civil action under this section shall serve prior written notice of any such civil action upon the Federal Trade Commission and provide the Commission with a copy of its complaint, except in any case where such prior notice is not feasible, in which case the State shall serve such notice immediately upon instituting such action. The Commission shall have the right—

(A) to intervene in the action;

(B) upon so intervening, to be heard on all matters arising therein; and

(C) to file petitions for appeal.

(4) VENUE; SERVICE OF PROCESS.—Any civil action brought under this subsection in a district court of the United States may be brought in the district wherein the defendant is found or is an inhabitant or transacts business or wherein the violation occurred or is occurring, and process in such cases may be served in any district in which the defendant is an inhabitant or where the defendant may be found.

(5) INVESTIGATORY POWERS.—For purposes of bringing any civil action under this subsection, nothing in this title shall prevent the attorney general of a State, or an official or agency designated by a State, from exercising the powers conferred on the attorney general or such official by the laws of such State to conduct investigations or to administer oaths or affirmations or to compel the attendance of witnesses or the production of documentary and other evidence.

(6) EFFECT ON STATE COURT PROCEEDINGS.—Nothing contained in this section shall be construed to prohibit an authorized State official from proceeding in State court on the basis of an alleged violation of any general civil or criminal statute of such State.

(7) LIMITATION.—Whenever the Federal Trade Commission has instituted a civil action for violation of this title or the regulations prescribed pursuant to this title, no State may, during the pendency of such action instituted by the Commission, subsequently institute a civil action against any defendant named in the Commission's complaint for any violation as alleged in the Commission's complaint.

SEC. 1606. CERTIFICATION OF COUNTRIES WITH ADEQUATE PRIVACY PROTECTION.

(a) IN GENERAL.—Not later than 6 months after the date of enactment of this title, the Federal Trade Commission, after providing notice and opportunity for public comment, shall—

(1) certify those countries that have legal systems that provide adequate privacy protection for personally identifiable information; and

(2) make the list of countries certified under paragraph (1) available to the general public.

(b) CERTIFICATION CRITERIA.—

(1) IN GENERAL.—In determining whether a country should be certified under this section, the Federal Trade Commission shall consider the adequacy of the country's infrastructure for detecting, evaluating, and responding to privacy violations.

(2) PRESUMPTION.—The Commission shall presume that a country's privacy protections are inadequate if they are any less protective of personally identifiable information than those afforded under Federal law or under the laws of any State, or if the Commission determines that such country's laws are not adequately enforced.

(c) EUROPEAN UNION DATE PROTECTION DIRECTIVE.—A country that has comprehensive privacy laws that meet the requirements of the European Union Data Protection Directive shall be certified under this section unless the Federal Trade Commission determines that such laws are not commonly enforced within such country.

SEC. 1607. EFFECTIVE DATE.

Section 1606 of this title shall take effect on the date of enactment of this title. Sections 1602 through 1605 of this title shall take effect 60 days after the completion of the certification required by section 1606.

SA 34. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 256, to amend title 11 of the United States Code, and for other purposes; which was ordered to lie on the table; as follows:

On page 132, between lines 5 and 6, insert the following:

SEC. 234. PROHIBITION OF UNNECESSARY SOLICITATION OF SOCIAL SECURITY NUMBERS.

(a) IN GENERAL.—No person may solicit any social security number unless—

(1) such number is necessary in the normal course of business; and

(2) there is a specific use of the social security number for which no other identifying number can be used.

(b) VIOLATION.—

(1) IN GENERAL.—The Federal Trade Commission may bring a civil action based on a violation of this section.

(2) PENALTY.—A civil penalty of not more than $10,000 may be imposed for each violation of this section.

(c) ENFORCEABLE.—The Federal Trade Commission shall enforce the provisions of this section.

SA 35. Mr. NELSON of Nebraska submitted an amendment intended to be proposed by him to the bill S. 256, to amend title 11 of the United States Code, and for other purposes; which was ordered to lie on the table; as follows:

On page 244, after line 22, add the following:

SEC. 448. COMPENSATION OF BANKRUPTCY TRUSTEES.

(a) IN GENERAL.—Section 330(b)(2) of title 11, United States Code, is amended—

(1) by striking ''$15'' the first place it appears and inserting ''$55''; and

(2) by striking ''rendered.'' and all that follows through ''$15'' and inserting ''rendered, which''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a)—

(1) shall take effect 90 days after the date of enactment of this Act; and

(2) shall only apply to cases commenced under title 11, United States Code, after such effective date.

SA 36. Mr. KOHL submitted an amendment intended to be proposed by him to the bill S. 256, to amend title 11 of the United States Code, and for other purposes; which was ordered to lie on the table; as follows:

On page 188, strike line 14 and all that follows through page 191, line 11, and insert the following:

SEC. 322. LIMITATIONS ON HOMESTEAD EXEMPTION.

(a) EXEMPTION.—Section 522 of title 11, United States Code, as amended by sections 224 and 308, is further amended by adding at the end the following:

''(p) As a result of electing under subsection (b)(3)(A) to exempt property, other than the principal residence of a family farmer, under State or local law, a debtor may not exempt any amount of interest that exceeds, in the aggregate, $125,000 in value in—

''(1) real or personal property that the debtor or a dependent of the debtor uses as a residence;

''(2) a cooperative that owns property that the debtor or a dependent of the debtor uses as a residence; or

''(3) a burial plot for the debtor or a dependent of the debtor.''.

(b) ADJUSTMENT OF DOLLAR AMOUNTS.—Paragraphs (1) and (2) of section 104(b) of title 11, United States Code, as amended by section 224, are further amended by inserting ''522(p),'' after ''522(n)''.

SA 37. Mr. NELSON of Florida (for himself, Mr. DURBIN, Mr. SCHUMER, and Mrs. CLINTON) proposed an amendment to the bill S. 256, to amend title 11 of the United States Code, and for other purposes; as follows:

At the appropriate place, insert the following:

SEC. ___. IDENTITY THEFT.

(a) DEFINITION.—Section 101 of title 11, United States Code, as amended by this Act, is further amended—

(1) by redesignating paragraph (27B) as paragraph (27D); and

(2) by inserting after paragraph (27A) the following:

''(27B) 'identity theft' means a fraud committed or attempted using the personally identifiable information of another person;

''(27C) 'identity theft victim' means a debtor who, as a result of an identify theft in any consecutive 12-month period during the 3-year period before the date on which a petition is filed under this title, had claims asserted against such debtor in excess of the least of—

''(A) $20,000;

''(B) 50 percent of all claims asserted against such debtor; or

''(C) 25 percent of the debtor's gross income for such 12-month period.''.

(b) PROHIBITION.—Section 707(b) of title 11, United States Code, as amended by section 102(a) of this Act, is further amended by adding at the end the following:

''(8)(A) No judge, United States trustee (or bankruptcy administrator, if any), trustee, or other party in interest may file a motion under paragraph (2) if the debtor is an identity theft victim.''.

SA 38. Mr. DURBIN proposed an amendment to the bill S. 256, to amend title 11 of the United States Code, and for other purposes; as follows:

On page 67, between lines 18 and 19, insert the following:

SEC. 206. DISCOURAGING PREDATORY LENDING PRACTICES.

Section 502(b) of title 11, United States Code, is amended—

(1) in paragraph (8), by striking ''or'' at the end;

(2) in paragraph (9), by striking the period at the end and inserting ''; or''; and

(3) by adding at the end the following:

''(10) if the creditor has materially failed to comply with any applicable requirement under section 129(a) of the Truth in Lending Act (15 U.S.C. 1639(a)) or section 226.32 or 226.34 of Regulation Z (12 C.F.R. 226.32, 226.34), such claim is based on a secured debt.''.

SA 39. Mr. KERRY submitted an amendment intended to be proposed by him to bill S. 256, to amend title 11 of the United States Code, and for other purposes; which was ordered to lie on the table; as follows:

Add at the end the following:

TITLE XVI—BENEFITS FOR MEMBERS OF THE ARMED FORCES AND THEIR FAMILIES

SEC. 1601. EXTENSION OF PERIOD OF TEMPORARY CONTINUATION OF BASIC ALLOWANCE FOR HOUSING FOR DEPENDENTS OF MEMBERS OF THE ARMED FORCES WHO DIE ON ACTIVE DUTY.

Section 403(l) of title 37, United States Code, is amended by striking ''180 days'' each place it appears and inserting ''365 days''.

SEC. 1602. GRANT ASSISTANCE FOR MILITARY RESERVISTS' SMALL BUSINESSES.

(a) AUTHORIZATION OF GRANTS.—Section 7(b)(3)(B) of the Small Business Act (15 U.S.C. 636(b)(3)(B)) is amended by inserting ''or grants'' after ''or a deferred basis)''.

(b) GRANT SPECIFICATIONS.—Section 7(b)(3) of the Small Business Act (15 U.S.C. 636(b)(3)) is amended by inserting after subparagraph (F) the following:

''(G) Grants made under subparagraph (B)—

''(i) may be awarded in addition to any loan made under subparagraph (B);

''(ii) shall not exceed $25,000; and

''(iii) shall be made only to a small business concern—

''(I) that provides a business plan demonstrating viability for not less than 3 future years;

''(II) with 10 or fewer employees;

''(III) that has not received another grant under subparagraph (B) in the previous 2 years.''.

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 20(e)(2) of the Small Business Act (15 U.S.C. 631 note) is amended by inserting after subparagraph (B) the following:

''(C) GRANT ASSISTANCE FOR MILITARY RESERVISTS' SMALL BUSINESSES.—There are authorized to be appropriated for grants under section 7(b)(3)(B)—

''(i) $10,000,000 for the first fiscal year beginning after the date of enactment of this subparagraph; and

''(ii) $10,000,000 for each of the 2 fiscal years following the fiscal year described in clause (i).''.

SA 40. Mr. PRYOR submitted an amendment intended to be proposed by him to the bill S. 256, to amend title 11 of the United States Code, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. LIMITATION ON USE OF CONSUMER REPORTS.

(a) IN GENERAL.—Section 604(d) of the Fair Credit Reporting Act (15 U.S.C. 1681b(d)) is amended to read as follows:

''(d) LIMITATION ON USE OF CONSUMER REPORT.—

''(1) IN GENERAL.—A credit card issuer may not use any negative information contained in a consumer report to increase any annual percentage rate applicable to a credit card account, or to remove or increase any introductory annual percentage rate of interest applicable to such account, for any reason other than an action or omission of the card holder that is directly related to such account.

''(2) NOTICE TO CONSUMER.—The limitation under paragraph (1) on the use by a credit card issuer of information in a consumer report shall be clearly and conspicuously described to the consumer by the credit card issuer in any disclosure or statement required to be made to the consumer under this title.''.

(b) TECHNICAL AND CONFORMING AMENDMENT.—Section 604(a)(3)(F)(ii) of the Fair Credit Reporting Act (15 U.S.C. 1681b(a)(3)(F)(ii)) is amended by inserting ''subject to subsection (d),'' before ''to review''.

SA 41. Mr. KERRY submitted an amendment intended to be proposed by him to the bill S. 256, to amend title 11 of the United States Code, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. ENHANCED DISCLOSURES UNDER AN OPEN END CONSUMER CREDIT PLAN.

(a) REPAYMENT TERMS.—Section 127(b) of the Truth in Lending Act (15 U.S.C. 1637(b)) is amended by adding at the end the following:

''(11)(A) Repayment information that would apply to any annual percentage rate applicable to the consumer's account under the credit plan, including information regarding any change in any annual percentage rate charged to the consumer under the plan, appearing in conspicuous type on the front of the first page of the first billing statement prepared following the change, and accompanied by an appropriate explanation, containing—

''(i) the words 'THERE HAS BEEN A CHANGE IN THE ANNUAL PERCENTAGE RATE FOR YOUR ACCOUNT.';

''(ii) the words 'THE PREVIOUS INTEREST RATE:' followed by the previous annual percentage rate charged to the consumer under the plan; and

''(iii) the words 'THE CURRENT INTEREST RATE' followed by the current annual percentage rate charged to the consumer under the plan.''.

(b) PUBLICATION OF MODEL FORMS.—Not later than 180 days after the date of enactment of this Act, the Board of Governors of the Federal Reserve System shall publish model disclosure forms in accordance with section 105 of the Truth in Lending Act for the purpose of compliance with section 127(b)(11) of the Truth in Lending Act, as added by this section.

NOTICES OF HEARINGS/MEETINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. DOMENICI. Mr. President, I would like to announce for the information of the Senate and the public that a hearing has been scheduled before the Committee on Energy and Natural Resources.

The hearing will take place on Wednesday, March 9 at 10 a.m. in room SD–366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of this hearing is to consider the nomination of Patricia Lynn Scarlett to be Deputy Secretary of Interior and Jeffrey Clay Sell to be Deputy Secretary of Energy.

For further information, please contact Judy Pensabene of the Committee staff at (202) 224–1327.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. HATCH. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on March 2, 2005, at 4:30 p.m., in closed session to receive a classified briefing regarding Department of Defense human intelligence activities.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. HATCH. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Wednesday, March 2, 2005, at 10 a.m., to receive testimony on the President's proposed budget for fiscal year 2006 for the Forest Service.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. HATCH. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, March 2, 2005, at 9 a.m., to hold a hearing on foreign assistance.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. HATCH. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on March 2, 2005, at 2:30 p.m., to hold a closed briefing.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR

Mr. CORZINE. Mr. President, I ask unanimous consent that Ann-Catherine Blank, a State Department fellow who has been working with my office, be granted the privilege of the floor during consideration of the bill which I am about to introduce.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNIZING CONTRIBUTIONS OF LATE ZHAO ZIYANG TO PEOPLE OF CHINA

Mr. DEMINT. I ask unanimous consent that the Foreign Relations Committee be discharged from further consideration and the Senate now proceed to S. Res. 55.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 55) recognizing the contributions of the late Zhao Ziyang to the people of China.

There being no objection, the Senate proceeded to consider the resolution.

Mr. DEMINT. I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 55) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 55

Whereas leading reformist and former Chinese Communist Party Secretary General, Zhao Ziyang, died under house arrest in China on January 17, 2005, at the age of 85;

Whereas Zhao implemented important agricultural, industrial, and economic reforms in China and rose to the prominent positions of premier and Secretary General within the Communist Party despite criticisms of his capitalist ideals;

Whereas, in the early summer of 1989, students gathered in Tiananmen Square to voice their support for democracy and to protest the Communist government that continues to deny them that democracy;

Whereas Secretary General Zhao advised against the use of military force to end the pro-democracy protests in Tiananmen Square;

Whereas, on May 19, 1989, in Tiananmen Square, Zhao warned the tens of thousands of students clamoring for democracy that the authorities were approaching and urged them to return to their homes; an action that illustrated his sympathy for their cause;

Whereas Zhao was consequently relieved of all leadership responsibilities following his actions in Tiananmen Square that summer and was placed under house arrest for the remaining years of his life;

Whereas the Government of China remained indecisive regarding a ceremony for Zhao for several days before allowing a relatively modest ceremony at the Babaoshan Revolutionary Cemetery in Beijing, where Zhao was cremated on January 29, 2005;

Whereas the Government of China's fear of civil unrest resulted in the prohibition of political dissidents and others from the funeral, and the thousands who were in attendance were surrounded in an intimidating environment without adequate time to mourn and grieve;

Whereas news of Zhao's death was announced only in a brief notice by the Communist government and was forbidden to be covered by the radio or national television, while eulogies were erased by censors from memorial websites;

Whereas, upon the announcement of Zhao's death, Chinese news agencies were certain to reference the ''serious mistake'' committed by Zhao at what they refer to as a political incident in 1989;

Whereas mourning the death of Zhao in the Hong Kong Legislative Council was deemed unconstitutional and lawmakers in Hong Kong were refused the opportunity to observe a moment of silence in honor of his life;

Whereas the death of Zhao has renewed the desire of certain Chinese people for a reassessment of the crackdown in 1989 in order to acknowledge the merit of pro-democracy student demonstrations and complaints of government corruption; and

Whereas Zhao will continue to serve as a symbol of the dreams and purpose of the 1989 Tiananmen Square demonstration, which survived the Tiananmen massacre but which have still not been realized for the people of China: Now, therefore, be it

Resolved, That the Senate—

(1) recognizes that Zhao Ziyang made an important contribution to the people of China by providing assistance to the students in Tiananmen Square in 1989, and that through this contribution and his decisions to actively seek reform, Zhao remains a symbol of hope for reform and human rights for the people of China;

(2) expresses sympathy for Zhao's family and to the people of China who were unable to appropriately mourn his death or to celebrate his life;

(3) calls on the Government of China—

(A) to release all prisoners of conscience, including those persons still in prison as a result of their participation in the peaceful pro-democracy protests in Tiananmen Square in 1989; and

(B) to allow those people exiled on account of their activities to return to live in freedom in China; and

(4) stands with the people of China as they strive to improve their way of life and create a government that is truly democratic and respectful of international norms in the area of human rights.

DESIGNATING MONTH OF MARCH AS DEEP-VEIN THROMBOSIS AWARENESS MONTH

Mr. DEMINT. I ask unanimous consent that the Judiciary Committee be discharged from further consideration and the Senate now proceed to S. Res. 56.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 56) designating the month of March as Deep-Vein Thrombosis Awareness Month, in memory of journalist David Bloom.

There being no objection, the Senate proceeded to consider the resolution.

Mr. DEMINT. I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 56) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 56

Whereas deep-vein thrombosis is a condition that occurs when a blood clot forms in one of the large veins, which may result in a fatal pulmonary embolism;

Whereas deep-vein thrombosis is a serious but preventable medical condition;

Whereas deep-vein thrombosis occurs in approximately 2,000,000 Americans every year;

Whereas fatal pulmonary embolism causes more deaths each year than breast cancer and AIDS combined;

Whereas complications from deep-vein thrombosis take up to 200,000 American lives each year;

Whereas fatal pulmonary embolism may be the most common preventable cause of hospital death in the United States;

Whereas the risk factors for deep-vein thrombosis include cancer and certain heart or respiratory diseases;

Whereas pulmonary embolism is the leading cause of maternal death associated with childbirth;

Whereas, according to a survey conducted by the American Public Health Association, 74 percent of Americans are unaware of deep-vein thrombosis;

Whereas National Broadcasting Company correspondent David Bloom died of a fatal pulmonary embolism while covering the war in Iraq;

Whereas Melanie Bloom, widow of David Bloom, and more than 35 members of the Coalition to Prevent Deep-Vein Thrombosis are working to raise awareness of this silent killer; and

Whereas the establishment of March as Deep-Vein Thrombosis Awareness Month in honor of David Bloom would raise public awareness about this life-threatening but preventable condition: Now, therefore, be it

Resolved, That the Senate—

(1) designates the month of March as ''Deep-Vein Thrombosis Awareness Month'';

(2) honors the memory of David Bloom; and

(3) recognizes the importance of raising awareness of deep-vein thrombosis.

PLACEMENT OF STATUE OF SARA WINNEMUCCA IN NATIONAL STATUARY HALL

Mr. DEMINT. I ask unanimous consent that the Senate proceed to the immediate consideration of H. Con. Res. 5, which was received from the House.

The PRESIDING OFFICER. The clerk will report the concurrent resolution by title.

The legislative clerk read as follows:

A concurrent resolution (H. Con. Res. 5) providing for the acceptance of a statue of Sarah Winnemucca, presented by the people of Nevada, for placement in National Statuary Hall, and for other purposes.

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. DEMINT. I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motions to reconsider be laid upon the table en bloc, and that any statements relating to the resolution be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The concurrent resolution (H. Con. Res. 5) was agreed to.

The preamble was agreed to.

PERMITTING USE OF THE ROTUNDA OF THE CAPITOL

Mr. DEMINT. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H. Con. Res. 63, which was received from the House.

The PRESIDING OFFICER. The clerk will report the concurrent resolution by title.

The legislative clerk read as follows:

A concurrent resolution (H. Con. Res. 63) permitting the use of the rotunda of the Capitol for a ceremony as part of the commemoration of the days of remembrance of victims of the Holocaust.

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. DEMINT. I ask unanimous consent the resolution be agreed to, the motion to reconsider be laid upon the table, and that any statements be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The concurrent resolution (H. Con. Res. 63) was agreed to.

ORDERS FOR THURSDAY, MARCH 3, 2005

Mr. DEMINT. Mr. President, I ask unanimous consent that when the Senate completes its business today, the Senate adjourn until 9:30 a.m. on Thursday, March 3. I further ask that following the prayer and the pledge, the morning hour be deemed expired, the Journal of proceedings be approved to date, the time for the two leaders be reserved, and the Senate then proceed to consideration of S.J. Res. 4, a resolution of disapproval of the rule submitted by the Department of Agriculture; provided that there be up to 3 hours of debate equally divided, and following the use or yielding back of the time, the Senate proceed to a vote on passage with no intervening action or debate. I further ask consent that following the disposition of S.J. Res. 4, the Senate resume consideration of S. 256, the Bankruptcy Reform Act; provided further that the Senate then proceed to votes in relation to the Dayton amendment, No. 31, to be followed by a vote in relation to the Nelson amendment, No. 37, with no amendments in order to the amendments prior to the votes. Finally, I ask that there be 4 minutes equally divided for debate prior to the second and third votes in that series.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DEMINT. Mr. President, tomorrow the Senate will first debate a disapproval resolution related to a rule submitted by the Department of Agriculture. Following the use or yielding back of the allocated debate time, the Senate will have a series of three stacked votes. Those votes will be on the disapproval resolution, the Dayton amendment, and the Nelson amendment to the bankruptcy bill. The majority leader has stated that we will continue to process additional bankruptcy-related amendments on Thursday, and therefore rollcall votes will occur throughout the day.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. DEMINT. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 6:58 p.m., adjourned until Thursday, March 3, 2005, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate March 2, 2005:

IN THE ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be major general

BRIG. GEN. BENJAMIN C. FREAKLEY, 0000

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE RESERVE OF THE ARMY TO THE GRADES INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be major general

BRIG. GEN. DONALD L. JACKA, JR., 0000

To be brigadier general

COL. JERRY D. LA CRUZ, JR., 0000

IN THE NAVY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT AS CHIEF OF NAVAL OPERATIONS, UNITED STATES NAVY AND APPOINTMENT TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTIONS 601 AND 5033:

To be admiral

ADM. MICHAEL G. MULLEN, 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be vice admiral

REAR ADM. EVAN M. CHANIK, JR., 0000

HOUSE OF REPRESENTATIVES—Wednesday, March 2, 2005

The House met at 10 a.m. and was called to order by the Speaker pro tempore (Mr. LAHOOD).

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
March 2, 2005.

I hereby appoint the Honorable RAY LAHOOD to act as Speaker pro tempore on this day.

J. DENNIS HASTERT,
Speaker of the House of Representatives.

PRAYER

The Reverend James T. Akers, National Chaplain, The American Legion, offered the following prayer:

Our Heavenly Father, in this moment of petition, when our minds and hearts are silent before You, may the prayers of Thy servants in this Chamber be heard.

In the midst of great activity today, make this moment sacred, a moment when answers come and guidance is given. Create in us the grace of thankful hearts, the grace of boldness in standing for what is right, the grace to treat others as we would be treated, and, finally, the grace to be thankful for all that we have and enjoy.

Grant us now a vivid sense of Your being by our side and make us Your partners in seeking wisdom for all matters of State. Give to these leaders of our Nation the inspired plans that shall lead this country in making the American Dream come true for all our citizens.

All of this we lift up to Your Holy Will and ask it in Your Holy Name. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Texas (Mr. CUELLAR) come forward and lead the House in the Pledge of Allegiance.

Mr. CUELLAR led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

INTRODUCTION OF THE REVEREND JAMES T. AKERS AS GUEST CHAPLAIN

(Mr. MORAN of Kansas asked and was given permission to address the House for 1 minute.)

Mr. MORAN of Kansas. Mr. Speaker, I am honored today to introduce to my colleagues here in the House the Reverend James T. Akers of Madison, Kansas. Reverend Akers currently serves as the chaplain of the American Legion, and is an ordained priest with the Anglican Orthodox Church in Madison.

Reverend Akers answered the call to the Lord's service when he left public school administration and entered the clergy. He has served his church and has focused his efforts on his colleagues, his comrades, and the American Legion as he tries to meet the spiritual needs of veterans and their families. Since 1992 this chaplain has been the chaplain at Ball-McComb American Legion post in Emporia, Kansas, and has been the American Legion district chaplain twice and for the past 7 years has been the Department of Kansas chaplain. We are honored in Kansas to have him now as the National American Legion chaplain. He is a U.S. Army veteran himself, who fought in the Korean War, and Reverend Akers is not only involved in the American Legion and service to other veterans, but he is also a member of the Disabled American Veterans, the Reserve Officers Association of the United States, and is a Companion of the Military Order of World Wars.

I have known Reverend Akers for a long time now. We often meet people in life who make a tremendous difference just on meeting them. He is a warm and caring and compassionate person who loves his fellow man, and it is a real honor to have him today as our guest chaplain in the United States House of Representatives.

THE REAL ''SURVIVORS'' OF PALAU

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, Reality TV is very popular these days. ''Survivor'' was the first of these shows to really break through. This season ''Survivor'' is being filmed on the island of Palau.

A reader, Major Jerry Wiffler, pointed out to nationalreview.com that this island was also the site of an important battle in 1944. On September 15, 1944, the 1st Marine Division landed on the beaches of Palau in order to protect MacArthur's right flank as he tried to recapture the Philippines. The battle was ferocious, as were most of these island engagements in the South Pacific. Ten thousand and five hundred Japanese troops fought for nearly a month before the marines were able to secure the island, and during this battle, Major Wiffler recalls, eight marines earned the Medal of honor for their actions.

Today the island is best known as the setting for a ''reality'' TV show that pits people against each other for prize money. Sixty years ago, the island was the site of great bravery and courage, not for the sake of prize money, but for the sake of our Nation and for freedom.

Major Wiffler hoped we would remember this.

SOCIAL SECURITY TOWN HALL MEETINGS

(Mr. PALLONE asked and was given permission to address the House for 1 minute.)

Mr. PALLONE. Mr. Speaker, this Friday, President Bush plans to take his traveling White House to New Jersey in the hope of convincing New Jersey workers to support his Social Security privatization proposal. I only wish the President would open his event up to New Jerseyans who did not contribute huge amounts to his reelection campaign or who refused to sign a letter saying they are a card-carrying Republican. Maybe then he would hear the public's real concerns about his privatization plan.

Mr. Speaker, the American people simply do not believe the President wants to strengthen Social Security. President Bush keeps on talking about a crisis, but he has even admitted that his own privatization plan does nothing to fix the problems Social Security faces 40 years from now. Instead of fixing a future problem, the President's privatization plan actually jeopardizes the future of Social Security by moving insolvency forward from 2052 to 2031, meaning we would face a real crisis much sooner under the President's plan.

I welcome the President's visit. For 6 weeks, he has been working to build

support for his plan, but it has fallen flat with the American people and it will also fall flat in New Jersey.

JOHN LEWIS'S 65TH BIRTHDAY

(Mr. GINGREY asked and was given permission to address the House for 1 minute.)

Mr. GINGREY. Mr. Speaker, I rise today in honor of the gentleman from Georgia (Mr. LEWIS), who celebrated his 65th birthday last week. It was appropriate that the gentleman from Georgia's (Mr. LEWIS) birthday fell during Black History Month because his involvement in politics began when he was a student activist working to spread the message of nonviolence preached by the Reverend Martin Luther King, Jr. The gentleman from Georgia (Mr. LEWIS) was later involved in some of the most important civil rights events in our Nation's history: The Freedom Rides, the Selma March, and countless other gatherings that helped this country end the era of segregation and move toward an equal and a just society.

Even today, the gentleman from Georgia (Mr. LEWIS) is known for his dedication and persistence. Although we sit on opposite sides of the aisle, I am often inspired by his passion and determination on issues of importance to his constituents.

Mr. Speaker, I ask that the Members join me in congratulating the gentleman from Georgia (Mr. LEWIS) on the occasion of his 65th birthday.

SOCIAL SECURITY IN THE 32ND CONGRESSIONAL DISTRICT OF CALIFORNIA

(Ms. SOLIS asked and was given permission to address the House for 1 minute.)

Ms. SOLIS. Mr. Speaker, today I rise to inform President Bush about what my constituents in the San Gabriel Valley and East Los Angeles are saying about Social Security.

In my district where there are nearly 60,000 Social Security beneficiaries, people are very concerned about the risky privatization scheme. To date, my office has held 15 senior center visits, high school visits, parent center visits, and health care facility visits. Over 500 constituents have been contacted about this issue. My constituents at Club America and the Federation of Seniors, whose members reside in east Los Angeles and the San Gabriel Valley, are overwhelmingly opposed to privatizing Social Security. I have received well over 300 letters in the past 2 weeks from people who are very worried about their benefits. In fact, Mr. Raymundo Romero from Los Angeles says: ''President Bush is claiming a mandate to privatize Social Security. I'm writing to tell you that he has no mandate from me, or from most other Americans, to cut Social Security benefits or add to America's financial burdens in order to reward Wall Street backers with risky private accounts.'' And I have about 300 letters that say about the same thing.

So I urge our Members of Congress to reject privatization.

THE NATIONAL BUDGET

(Mr. PENCE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PENCE. Mr. Speaker, the Good Book tells us to know the condition of our flocks and keep careful watch over our herds, for riches do not endure forever.

Tomorrow the budget debate begins here on Capitol Hill as the Committee on the Budget begins the process of writing our Federal budget, and President Bush has sent to Capitol Hill a strong conservative budget that represents a good start as we head down the road to fiscal discipline.

But as the debate begins, let us also insist that we change the way we spend the people's money. Observers of Congress know that it is not bad people who spend the people's money, it is a bad process that has not been fundamentally reformed since 1972. Only through fundamental budget process reform and a budget that represents fiscal discipline will we begin again to restore fiscal discipline to the national budget.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair will postpone further proceedings today on motions to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 6 of rule XX.

Any record vote on the postponed question will be taken later today.

CONGRATULATING ASME ON THEIR 125TH ANNIVERSARY

Mr. AKIN. Mr. Speaker, I move to suspend the rules and concur in the Senate concurrent resolution (S. Con. Res. 13) congratulating ASME on their 125th anniversary, celebrating the achievements of ASME members, and expressing the gratitude of the American people for ASME's contributions.

The Clerk read as follows:

S. CON. RES. 13

Whereas in 2005, ASME, incorporated in 1880 as the American Society of Mechanical Engineers, celebrates its 125th anniversary as one of the premier professional organizations focused on technical, educational, and research issues of the engineering community;

Whereas ASME plays a key role in protecting the welfare and safety of the public through the development and promulgation of over 600 codes and standards, including codes governing the manufacture of boilers, pressure vessels, elevators, escalators, petroleum and hazardous liquid pipelines, cranes, forklifts, power tools, screw threads and fasteners, and many other products routinely used by industry and people in the United States and around the world;

Whereas ASME, through its 120,000 members, works diligently to ensure the provision of quality science, technology, engineering, and mathematics education for young people as a way to foster and encourage the advancement of technology;

Whereas industrial pioneers and ASME members such as Thomas Edison, Henry Ford, and George Westinghouse helped to build ASME's engineering society even as ASME was helping to build the economy of the United States;

Whereas ASME members help to ensure the development and operation of quality and technologically advanced transportation systems, including automobile, rail, and air travel;

Whereas ASME members contribute to research and development that identifies emerging and future technical needs in evolving and multidisciplinary areas;

Whereas ASME continues to provide quality continuing education programs designed to keep engineers at the cutting edge of technology; and

Whereas in the aftermath of the terrorist attacks on the United States of September 11, 2001, ASME members have intensified efforts to develop technologies for homeland security and the protection of the critical assets of this Nation: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress—

(1) congratulates ASME on its 125th anniversary;

(2) recognizes and celebrates the achievements of all ASME members;

(3) expresses the gratitude of the people of the United States for ASME's contributions to the health, safety, and economic well-being of the citizenry; and

(4) directs the Secretary of the Senate to transmit an enrolled copy of this resolution to the president of ASME.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Missouri (Mr. AKIN) and the gentleman from Oregon (Mr. WU) each will control 20 minutes.

The Chair recognizes the gentleman from Missouri (Mr. AKIN).

□ 1015

GENERAL LEAVE

Mr. AKIN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on S. Con. Res. 13.

The SPEAKER pro tempore (Mr. LAHOOD). Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. AKIN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in strong support of Senate Concurrent Resolution 13, a resolution recognizing the

American Society of Mechanical Engineers, ASME, on the occasion of its 125th anniversary.

125 years ago, a group of prominent mechanical engineers gathered in the New York offices of the ''American Machinist'' to form what ultimately became ASME, one of the premier professional engineering organizations for technical education and research issues. Since 1880, ASME has worked to advance technological knowledge and facilitate the transfer of information from research to application.

Significant among ASME's many achievements is its efforts to improve the safety and reliability of equipment, especially boilers. In the year that ASME was founded, nearly 160 boiler explosions occurred in the U.S., each of which brought death and injury. During this period of industrial growth, boilers were becoming larger, more numerous and dangerous.

On March 10, 1905, a boiler explosion at the Brockton Shoe Factory resulted in 58 deaths and 117 injuries and completely leveled the factory. Terrible accidents like Brockton drove the creation of ASME's comprehensive Boiler Code, a set of standards to ensure the reliability and predictability of machine design and production. Quickly adopted by most States, this code virtually eliminated boiler explosions in the United States.

Today, ASME has thousands of volunteers working on committees that combine to issue more than 600 standards, ensuring proper specifications for a wide range of manufactured items. From the pressure valve of boilers to the threads on a screw, these standards ensure that equipment fits and holds safely, protecting American workers and the general public.

Some of our most prominent Americans have helped found ASME and many of our greatest innovators have occupied its board. Many will recognize the names of such members as Thomas Edison, Henry Ford, and George Westinghouse.

ASME continues this proud tradition more than a century later, engaging men and women of substance in emerging and future technical fields and cultivating the next generation of industrial leaders. In fact, ASME fellows can be found in the Halls of Congress and throughout the administration, providing valuable insight on legislation, regulation, and policies related to technology and the practice of engineering. The ASME members are tireless advocates for quality science, technology, engineering, and mathematics education for students of all ages.

For 125 years of service to the U.S., I want to extend my warmest and heartfelt congratulations and sincere appreciation to President Harry Armen and the members of ASME for their strong and inspired leadership. I look forward to our continued association and future ASME achievements.

Mr. Speaker, I reserve the balance of my time.

Mr. WU. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today I rise in strong support of this resolution to commemorate the 125th anniversary of the founding of the American Society of Mechanical Engineers. The American Society of Mechanical Engineers, with its 120,000 members worldwide, is a professional organization focused on technical, educational, and research issues of the engineering and technology communities.

The society has a long and distinguished history in the creation of industrial and manufacturing codes and standards that enhance public safety. It began with technical standards for screw threads and now has developed more than 600 standards, including standards in vital areas such as precision machining, nuclear power generation, and petroleum refining.

The diversity and range of the society's activities is reflected in the variety of its technical divisions, including Aerospace, Management, Materials, Power, Production Engineering, Rail Transportation, Textile Industries and most recently, Information Storage and Processing Systems.

The Society conducts one of the world's largest technical publishing operations, holds numerous technical conferences worldwide, and offers hundreds of professional development courses each year. It also sponsors activities to enhance kindergarten through twelfth grade science education and to attract students to careers in science and engineering.

On the basis of its long and beneficial service to the engineering profession and to the welfare of this Nation, it is entirely appropriate that we recognize the accomplishments of the American Society of Mechanical Engineers and congratulate the society on its 125th anniversary.

Mr. Speaker, I commend this resolution to my colleagues and ask for their support for its passage by this House.

Mr. BOEHLERT. Mr. Speaker, I proudly support S. Con. Res. 13, a resolution to recognize the American Society of Mechanical Engineering (ASME) on the occasion of its 125th anniversary.

Since 1880, ASME has focused upon technical, educational, and research issues as they pertain to engineering. It has played a key role in standardization and safety—developing and promulgating more than 600 codes and standards over its 125-year history.

Significantly, ASME created a comprehensive Boiler Code in reaction to the dangerous widespread boiler explosions that plagued early 20th century America. Following rapid adoption, this code virtually eliminated the scourge of boiler explosions. In updated versions, the code is still in existence today. It serves as a clear example of the value—indeed the necessity—of clear standards to prevent injury and maximize economic output.

Fifty years after its founding, ASME worked to promote precision machining, mass production and commercial transportation—all technologies that triggered enormous productivity gains and opened the nation and the world to American enterprise. Prominent ASME members included pioneers of American technology and industry such as Thomas Edison, Henry Ford and George Westinghouse. At the same time, the human aspect of industrial processes grew into focus: ASME leaders Henry Robinson Towne, Frederick Taylor and James M. Dodge pioneered management practices that reformed labor-management relations.

Today, over 120,000 members comprise ASME, serving the interests of industry, government, academia and the public. ASME members play a key role in providing affordable access to energy and natural resources. Its members work to ensure the quality of scientific research as well as science and technology education. In fact, ASME fellows can be found in the halls of Congress and throughout the Administration providing valuable insight on legislation and helping to shape engineering and technology policy.

Recently, ASME members have risen to the challenge posed by the terrorist attacks on September 11, 2001. Their intensified efforts have developed technologies for homeland security and protected critical assets to our Nation.

On behalf of the 109th Congress, I warmly congratulate ASME for 125 years of service to the United States. I wish to extend my sincere appreciation to President Harry Armen and the members of ASME for their strong leadership and I look forward to future ASME achievement.

Mr. WU. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. AKIN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Missouri (Mr. AKIN) that the House suspend the rules and concur in the Senate Concurrent Resolution, S. Con. Res. 13.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

HUMANITARIAN ASSISTANCE CODE OF CONDUCT ACT OF 2005

Mr. SMITH of New Jersey. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 912) to ensure the protection of beneficiaries of United States humanitarian assistance.

The Clerk read as follows:

H.R. 912

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Humanitarian Assistance Code of Conduct Act of 2005''.

SEC. 2. CODE OF CONDUCT FOR THE PROTECTION OF BENEFICIARIES OF HUMANITARIAN ASSISTANCE.

(a) PROHIBITION.—None of the funds made available for foreign operations, export financing, and related programs under the headings ''Migration and Refugee Assistance'', ''United States Emergency Refugee and Migration Assistance Fund'', ''International Disaster and Famine Assistance'', or ''Transition Initiatives'' may be obligated to an organization that fails to adopt a code of conduct that provides for the protection of beneficiaries of assistance under any such heading from sexual exploitation and abuse in humanitarian relief operations.

(b) SIX CORE PRINCIPLES.—The code of conduct referred to in subsection (a) shall, to the maximum extent practicable, be consistent with the following six core principles of the United Nations Inter-Agency Standing Committee Task Force on Protection From Sexual Exploitation and Abuse in Humanitarian Crises:

(1) ''Sexual exploitation and abuse by humanitarian workers constitute acts of gross misconduct and are therefore grounds for termination of employment.''.

(2) ''Sexual activity with children (persons under the age of 18) is prohibited regardless of the age of majority or age of consent locally. Mistaken belief regarding the age of a child is not a defense.''.

(3) ''Exchange of money, employment, goods, or services for sex, including sexual favors or other forms of humiliating, degrading or exploitative behavior, is prohibited. This includes exchange of assistance that is due to beneficiaries.''.

(4) ''Sexual relationships between humanitarian workers and beneficiaries are strongly discouraged since they are based on inherently unequal power dynamics. Such relationships undermine the credibility and integrity of humanitarian aid work.''.

(5) ''Where a humanitarian worker develops concerns or suspicions regarding sexual abuse or exploitation by a fellow worker, whether in the same agency or not, he or she must report such concerns via established agency reporting mechanisms.''.

(6) ''Humanitarian agencies are obliged to create and maintain an environment which prevents sexual exploitation and abuse and promotes the implementation of their code of conduct. Managers at all levels have particular responsibilities to support and develop systems which maintain this environment.''.

SEC. 3. REPORT.

Not later than 180 days after the date of the enactment of this Act, and not later than one year after the date of the enactment of this Act, the President shall transmit to the Committee on Appropriations and the Committee on International Relations of the House of Representatives and the Committee on Appropriations and the Committee on Foreign Relations of the Senate a detailed report on the implementation of this Act.

SEC. 4. EFFECTIVE DATE; APPLICABILITY.

This Act—

(1) takes effect 60 days after the date of the enactment of this Act; and

(2) applies to funds obligated after the effective date referred to in paragraph (1)—

(A) for fiscal year 2005; and

(B) any subsequent fiscal year.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New Jersey (Mr. SMITH) and the gentleman from California (Mr. LANTOS) each will control 20 minutes.

The Chair recognizes the gentleman from New Jersey (Mr. SMITH).

GENERAL LEAVE

Mr. SMITH of New Jersey. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 912.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. SMITH of New Jersey. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in the wake of the devastating Indian Ocean tsunami and the genocide in Darfur, we have witnessed untold suffering. And yet, Mr. Speaker, we have learned from other crises situations that people in some crises become victims of additional and incomprehensible violations, sexual exploitation and abuse. The most vulnerable groups, women and children, are at greatest risk.

The passage of the Humanitarian Assistance Code of Conduct Act of 2005 ensures that steps will be taken to protect the most vulnerable people from sexual exploitation and abuse by those providing aid and humanitarian relief operations.

H.R. 912 requires that the United States Government assistance for humanitarian relief operations will be available only to organizations that have adopted a code of conduct incorporating the core principles of the United Nations Inter-Agency Standing Committee Task Force on Protection From Sexual Exploitation and Abuse in Humanitarian Crises. These principles include, but are not limited to, the following:

''Sexual exploitation and abuse by humanitarian workers constitute acts of gross misconduct and are therefore grounds for termination of employment.''

''Sexual activity with children (persons under the age of 18) is prohibited regardless of the age of majority or age of consent locally. Mistaken belief regarding the age of a child is not a defense.''

''Exchange of money, employment, goods, or services for sex, including sexual favors or other forms of humiliating, degrading or exploitative behavior, is prohibited. This includes exchange of assistance that is due to beneficiaries.''

Mr. Speaker, passage of the Humanitarian Assistance Code of Conduct Act of 2005 will help ensure the protection of beneficiaries of United States humanitarian assistance. I urge my colleagues to support it.

Mr. Speaker, I would also include a CBO estimate for H.R. 912, which indicates that this legislation has no significant budgetary effect.

Mr. Speaker, in addition to the important provisions of H.R. 912, I would like to inform my colleagues of additional measures contained in a bill I introduced, the Trafficking Victims Protection Reauthorization Act of 2005, H.R. 972, which we will be marking up next week, cosponsored by my good friend and colleague, the gentleman from California (Mr. LANTOS), the gentleman from Missouri (Mr. BLUNT), and a number of other Members of this committee and of this House. That comprehensive legislation is designed to help ensure the protection of vulnerable women and children in post-natural disaster situations.

H.R. 972, among several other things, incorporates stronger child protection and trafficking prevention activities into USAID, State and DOD post-conflict and post-natural disaster relief programs. The measure provides for the Secretary of State and the administrator of USAID to conduct a study regarding the threat and practice of trafficking in persons generated by post-conflict and humanitarian emergencies in foreign countries, and to look at and implement best practices to combat human trafficking in such areas.

It also requires, and I think this is very important, that the Secretary of State certify that prior to approval of a peacekeeping mission or a renewal of the mandate, the Secretary of State would have to guarantee or certify, 15 days before that, that appropriate safeguards are in place to protect vulnerable populations from trafficking and from rape and other kinds of sexual misconduct.

I would point out parenthetically to my colleagues that yesterday we held a day-long hearing on the atrocities committed by U.N. peacekeepers in the Congo, where unfortunately there have been credible and large numbers of allegations made that U.N. peacekeepers have raped 13-year-old, 14-year-old, and 15-year-old girls and older and have offered them $1 or $2 or a loaf of bread in exchange for this exploitation. It is outrageous.

The U.N. for its part, I believe, is committed to trying to rectify and remedy this situation, but more needs to be done; and we need to have in place safeguards to ensure that this kind of misconduct, which is gross and, unfortunately, very, very prevalent, is mitigated and stopped. This bill is another step in that direction; and I applaud the gentleman from Massachusetts (Mr. DELAHUNT), the gentleman from Texas (Mr. DELAY), and all of those who have sponsored it and brought it to the floor today.

Mr. Speaker, I reserve the balance of my time.

Mr. LANTOS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of this legislation. I would first like to thank my good friend and distinguished colleague, the ranking member of the Committee on International Relations Subcommittee on Oversight and Investigations, the gentleman from Massachusetts (Mr. DELAHUNT), for being the principal author of this critically important legislation.

I would also like to express my thanks to my friend, the gentleman from New Jersey (Mr. SMITH); the majority leader, the gentleman from Texas (Mr. DELAY); and the distinguished chairman of the House Committee on International Relations, the gentleman from Illinois (Mr. HYDE), for their outstanding work on this legislation.

Mr. Speaker, the humanitarian instincts of the American people run deep, and each year the United States helps tens of millions of refugees and internally displaced people in conflict zones around the globe. When Afghans streamed back to their homes after the fall of the Taliban, the United States was on hand to help rebuild homes and villages. When the tsunami struck Southeast Asia, the United States, and particularly our military, led the way in providing emergency help, food, medicine and shelter to hundreds of thousands of people who had lost their homes in that horrible tragedy.

Mr. Speaker, I want specifically to commend former Presidents Bush and Clinton for their efforts in this very important undertaking.

As we speak today, the United States is helping more than 20,000 Sudanese refugees who have fled their country for the neighboring country of Chad to escape the bloodshed in Darfur. In acting on our humanitarian impulses, the United States greatly enhances the image of our Nation abroad, but only if these activities are carried out correctly. Avoiding any linkage between the United States assistance and sexual abuse must be a cornerstone principle of our Nation's foreign assistance program.

Over the past year, the United Nations has investigated over 150 allegations of sexual abuse by United Nations peacekeepers in the Democratic Republic of Congo. Women have charged that they have been raped by U.N. peacekeepers, the very military forces specifically sent there to protect and to defend them. There have been charges that children as young as 12 and 13 were bribed with food for sex. Women trying to feed their families were forced to trade sex for money or food or jobs.

While most peacekeepers in the Congo obviously did not participate in these despicable practices, I strongly agree with United Nations Secretary General Kofi Annan who has stated that ''the behavior of a few has undermined the contributions of many.''

□ 1030

In response to the outrages committed in the Congo, Secretary General Annan has wisely instituted a non-fraternization policy between United Nations Peacekeepers and the local population. This ban forbids United Nations personnel and Peacekeepers from engaging in sex with girls younger than 18, from engaging in commercial sex of any kind, and imposes a curfew of U.N. military contingent.

We further understand that the United Nations, under Secretary For Peacekeeping Operations, is engaged in a far-reaching review that will increase enforcement of sexual abuse laws, providing additional training of peacekeeping troops before they are deployed in the field, and providing better investigatory capacity to ensure that those who violate the guidelines are properly punished.

I commend the United Nations for taking these measures and for making it clear that a new zero tolerance policy will apply to all United Nations peacekeeping troops abroad.

In light of the problems faced by the United Nations as it has carried out its humanitarian mission, the United States must follow suit. We must ensure that all humanitarian organizations receiving American money have firm policies which prevent their employees from sexually abusing the people they were sent to help.

Mr. Speaker, the Humanitarian Assistance Code of Conduct Act of 2005 prohibits funding for refugee, disaster and other humanitarian assistance to humanitarian organizations that failed to adopt a code of conduct consistent with principles adopted by the U.N. interagency standing committee on protection from sexual exploitation and abuse in humanitarian crisis. It is long past time for us to ensure that humanitarian organizations that receive U.S. funding fully comply with these principles. The time for voluntary acceptance is over and mandatory compliance must now begin.

The United States is a most generous Nation, Mr. Speaker, and American humanitarian organizations provide invaluable expertise and hands-on assistance in crisis zones around the globe. With the passage of our legislation, refugees and internally displaced people can have even more confidence that American assistance is distributed according to the highest standards of conduct.

I urge all of my colleagues to support this legislation.

Mr. Speaker, I yield such time as he may consume to the gentleman from Massachusetts (Mr. DELAHUNT), the distinguished author of the bill and my good friend.

Mr. DELAHUNT. Mr. Speaker, I thank the ranking member and appreciate his encouragement and support in this particular effort along with his leadership on the full Committee on International Relations on the House side.

Mr. Speaker, as others have said, including the gentleman from California (Mr. LANTOS) and the gentleman from New Jersey (Mr. SMITH), this bill represents yet another step forward in the comprehensive effort to address the international human tragedy of sexual exploitation of women and children. It would mandate that humanitarian relief agencies adopt a code of conduct that would promote protection for potential victims.

As the gentleman from California (Mr. LANTOS) indicated, U.S. funding would only be available if those agencies had expressly articulated and adopted such a policy. The bill enumerates six core principles that incorporate the findings of a task force created by the United Nations in 2002. To mention a few, and I will be repetitive, but I think it is important to repeat because these provisions are of consequence.

Sexual activity with a child under 18 is prohibited regardless of local law. The exchange of sexual favors for any reason is defined as abusive and exploitative behavior. It is humiliating and degrading, and as such, it is prohibited. Where there is a concern of abuse or exploitation on the part of a humanitarian worker, that individual, that humanitarian worker is required, is mandated now, under the provisions of this legislation, to report their suspicions to the proper authorities. And most importantly, humanitarian agencies are obliged to create and maintain an environment which prevents sexual exploitation and abuse and promotes the implementation of their code of conduct.

It cannot be denied that as a people and a government, the United States has responded to crisis after crisis. At the same time, Mr. Speaker, it is estimated that 600,000 to 800,000 people, mostly women and children, are trafficked across national borders. It is also estimated that 2 million children, 2 million children are enslaved in the global sex trade. The magnitude of this crisis is immense. And sadly, Mr. Speaker, it goes largely unnoticed. It is an international scandal that needs to be revealed and acknowledged by the international community because that is necessary before we can adequately address it and seek to eradicate it. Information and discussion about this tragic reality is critical because there is widespread agreement that education and awareness, public awareness are the keys to prevention. And if we persist in our collaboration with other governments and stakeholders, including the United Nations, I am convinced that our efforts will result in a significant decline in these unacceptable numbers.

The truth is we are making progress. Since 2001, the U.S. has provided close

to $300 million to support anti-trafficking programs in 120 countries. Under the leadership of the gentleman from New Jersey (Mr. SMITH), the Protect Act became law, which allows for the prosecution of U.S. citizens who travel abroad to sexually abuse minors. And in the private sector we secured a commitment from the travel and tourism industry to implement its own code of conduct on child trafficking. And I am confident that the passage of this bill code will build on that progress that we have already observed because it will increase public awareness of this quiet crisis. And hopefully it will impact the cultural attitudes that nurture this behavior, often by silence and acquiescence by looking the other way, by ignoring its existence. And there have been some positive developments.

Recently, the action of the government of Morocco in filing charges against their own troops who purportedly bribed Congolese children with food for sex while serving as U.N. Peacekeepers has to be noted for the record, because I have no doubt that the tangible and cumulative efforts of this Congress and many of the stakeholders contributed in an indirect way do that particular action. Because by our cumulative efforts we have announced to the world, to the international community that this issue is a high priority for the United States and for every American.

The idea for this discrete proposal was generated as a result of a meeting in the Majority Leader's office this past January, and I want to acknowledge his leadership on this issue, I see the gentleman presents in the Chamber now, not only on the bill before us today, but for his long and committed engagement on children's issues.

The Majority Leader has made a difference, and I would be remiss also not to note the contributions made by the gentleman who controls the time for the majority, the gentleman from New Jersey (Mr. SMITH) whose leadership on this whole array, this particular issue and other related issues, can only be described as inspirational. Many are in the debt of the gentleman from New Jersey (Mr. SMITH), many victims across the world.

As a people and a government, the United States responded as we always do in a very positive way to the tsunami in South Asia and to every crisis that besets this planet with passion and incredible generosity. But we cannot lose sight of that unfortunate reality that at such times, there are increased opportunities for sexual predators and those who would traffic for sexual reasons.

So today, once more, we are announcing to the rest of the world that protection of women and children is a top priority for the people of the United States.

Before I conclude, I think it is incumbent upon me to recognize the key members of the staffs on both sides who achieved what I consider to be a thoughtful and obviously bipartisan piece of legislation.

First, let me thank the staff of the Majority Leader's office for their cooperation and hard work enabling us to reach this result. With their customary incredible energy, Cassie Statuto Bevans demonstrated a sincere determination to craft the best legislative proposal to protect women and children who are at risk. I am also grateful for the helpful assistance of Hope Henry in the office of the gentleman from Texas (Mr. DELAY). From the House Committee on International Relations, Renee Austell and Matt McLean provided significant time and expertise helping us to formulate the right approach.

In addition, I would like to acknowledge the import and guidance of my Democratic colleagues on the committee, Pearl Alice Marsh and Robin Roizman. And I would also like to extend my appreciation to Rob Blair with the Subcommittee on Foreign Operations, Export Financing and Related Programs of the House Committee on Appropriations whose timely and insightful guidance throughout this process is much appreciated by me and my own staff.

Finally, I would like to extend my appreciation for the skillful assistance of Mark Synnes in the Office of Legislative Counsel in the drafting of this bill. Myself, and I know the gentleman from Texas (Mr. DELAY) and the gentleman from New Jersey (Mr. SMITH) and the gentleman from California (Mr. LANTOS) also appreciate the letters of support that we have received from several leading relief organizations, including InterAction, Save the Children, the American Red Cross, Refugees International, World Vision and UNICEF.

By the way, I also want to acknowledge the assistance and help of my own staffer, Christine Leonard.

Mr. Speaker, with that I urge my colleagues to unanimously approve this legislation.

[From World Vision, Mar. 1, 2005]

STATEMENT OF WORLD VISION ON H.R. 912, THE HUMANITARIAN ASSISTANCE CODE OF CONDUCT ACT OF 2005

WASHINGTON.—World Vision would like to thank House Majority Leader Tom DeLay and Congressman William Delahunt for their ongoing commitment to protecting children from harm and their leadership in drafting H.R. 912, the Humanitarian Assistance Code of Conduct Act of 2005.

World Vision supports this important piece of legislation.

Each year, millions of children are exploited and abused around the world, often in the midst of a disaster, such as the tsunami that impacted South Asia in December 2004. Humanitarian organizations must be part of the first line of defense in protecting these children, and this includes measures for self-accountability and proper conduct.

H.R. 912 helps to ensure this accountability and conduct by prohibiting the funding of relief organizations that have not adopted a code of conduct that provides for the protection of beneficiaries from sexual exploitation and abuse in humanitarian operations.

World Vision has been in the forefront of developing comprehensive child protection policies and codes of conduct among the humanitarian aid community. All organizations that work with children should use every available measure to protect children from harm.

World Vision is a Christian relief and development organization dedicated to helping children and their communities worldwide reach their full potential by tackling the causes of poverty. World Vision serves the world's poor—regardless of religion, race, ethnicity, or gender. In 2004, World Vision operated in nearly 100 countries around the world.

UNITED STATES FUND FOR UNICEF,
New York, NY 10016, March 1, 2005.

RE: The Humanitarian Assistance Code of Conduct Act of 2005

Hon. TOM DELAY,
House Majority Leader, Capitol Building, Washington, DC.

DEAR MR. LEADER: On behalf of the United States Fund for UNICEF, I am writing to offer our thanks for your leadership in introducing the Humanitarian Assistance Code of Conduct Act of 2005. This bipartisan legislation will help reduce the risk of exploitation and abuse of children in complex humanitarian emergencies. We are happy to join the coalition of groups endorsing this important legislation.

UNICEF is committed to a zero tolerance policy toward the sexual abuse and exploitation of children, or any other form of child abuse or exploitation by its staff or those affiliated with UNICEF. As of October of 2003, the United Nations Secretary-General promulgated a bulletin which requires all UN staff to adhere to the six core principles developed by the UN Inter-Agency Standing Committee. We are glad to see these same core principles included in your legislation and extended to all humanitarian relief operations.

Your legislation is a big step forward to the goal of universal application and enforcement of the humanitarian code of conduct. We thank you for your leadership and look forward to working with you on this issue and other child protection issues.

Sincerely,

CHARLES J. LYONS,
President, U.S. Fund for UNICEF.

AMERICAN COUNCIL FOR VOLUNTARY INTERNATIONAL ACTION,
March 1, 2005.

Rep. TOM DELAY,
House of Representatives,
Washington, DC.

DEAR REP. DELAY: On behalf of InterAction, the largest alliance of U.S. based nongovernmental organizations working in international humanitarian and development assistance, I write to commend you and Representative Delahunt for your interest and commitment in advancing the protection of beneficiaries of humanitarian assistance and for providing us an opportunity to comment on H.R. 912, The Humanitarian Assistance Code of Conduct Act of 2005. InterAction exists to enhance the effectiveness and professional capacities of our member organizations engaged in international

humanitarian efforts. As such, we are committed to promoting the highest standards of ethical and effective performance among our members as we strive towards overcoming poverty, exclusion and suffering in the world.

As you are well aware, most of the victims of conflict and those most often affected by humanitarian crises are women and children. They are also the most vulnerable to further exploitation in the delivery of humanitarian relief. This was dramatically highlighted by the February 2002 report by the United Nations High Commissioner for Refugees and Save the Children-UK containing allegations of widespread abuses of displaced children, particularly young girls, in humanitarian situations.

InterAction immediately established a task force comprised of member CEOs to develop guidelines and recommendations that humanitarian agencies, particularly InterAction members, might take to prevent the abuse of displaced children. The report of the InterAction task force was widely disseminated in the humanitarian community and shared with our donors, partners and policymakers and included the recommendation that humanitarian agencies revise or adopt codes of conduct to reflect the six core principles of the IASC Task Force on Sexual Exploitation and Abuse in Humanitarian Crises. In addition, InterAction amended its own membership standards to include the adoption of a code of conduct against the exploitation of humanitarian beneficiaries by our members. Finally, we continue our efforts to advance and enhance the protection of vulnerable populations in humanitarian situations through our Protection Working Group.

InterAction members appreciate the legislation that has been drafted by you and Mr. Delahunt and appreciated the opportunity to work with your staff in the drafting of this legislation. InterAction strongly supports efforts to require organizations involved in the delivery of humanitarian assistance to adopt codes of conduct to protect beneficiaries from sexual exploitation and abuse. Furthermore, InterAction supports the six core principles of the United Nations Inter-Agency Standing Committee Task Force on Protection From Sexual Exploitation and Abuse in Humanitarian Crises, which have been widely agreed upon as the guiding principles for such codes of conduct.

We believe that such a code of conduct should be required for organizations providing all manner of humanitarian assistance, not just to refugees and internally displaced. However, we would urge that any requirement for a code of conduct allow humanitarian agencies flexibility in the type of code required and the manner in which it is implemented to reflect the many variables of organizational structure and country environments. Finally, while we understand that this legislation does not carry any funds for training and technical assistance for the affected U.S. government agencies or their implementing partners, we believe that such assistance is necessary and hope that you will address this need in the near future.

We thank you for your interest and commitment to protection of beneficiaries of humanitarian assistance from sexual exploitation and abuse.

Sincerely,

MARY E. MCCLYMONT,
President and CEO.

[From Save the Children, Mar. 1, 2005]

STATEMENT OF SAVE THE CHILDREN IN SUPPORT OF H.R. 912, THE HUMANITARIAN ASSISTANCE CODE OF CONDUCT ACT OF 2005

On behalf of Save the Children, the leading independent organization committed to creating real and lasting change in the lives of children in need, we applaud the introduction of H.R. 912, The Humanitarian Assistance Code of Conduct Act of 2005. Introduced by House Majority Leader Tom DeLay and Congressman William Delahunt, we believe that this legislation sends an important message to all organizations providing assistance to refugees and internally displaced people (IDP)—the majority of whom are women and children—that abuse and exploitation will not be tolerated.

Whether as a result of war or natural disaster, a child's vulnerability to abuse is very similar. To survive, women and children in refugee camps are frequently put in a position where they have little choice but to barter with their bodies in order to obtain desperately needed food and assistance. The full extent of sexual exploitation and abuse of children in war and conflict is largely unknown. However, according to UNIFEM in Sierra Leone, 94 percent of displaced families experienced sexual abuse. Furthermore, 40 percent of the population, including 692,000 children, suffered sexual abuse from 1994–1997 at the height of the civil war. In just one camp for displaced persons in Darfur, 15 cases of rape are reported each week.

A joint Save the Children/UNHCR assessment mission looking at refugee and IDP communities in West Africa in October/November 2001 highlighted the fact that these issues need urgent attention. The mission found that a large number of refugee and displaced children, mainly girls, were victims of sexual violence and many more were forced into exploitative relationships in order to obtain food, shelter, healthcare and education. Protection concerns must be integrated into humanitarian services.

As a result of the West Africa report, Save the Children participated in the writing of the Inter-Agency Standing Committee (IASC) Task Force on Protection from Sexual Exploitation and Abuse in Humanitarian Crises six core principles relating to sexual exploitation and abuse by humanitarian workers. Making these principles the standard operating procedures for organizations receiving U.S. Government funding will help ensure that these most vulnerable children and their families are not victimized by those who are sent to help.

[From the American Red Cross]

We applaud the efforts of Majority Leader Tom DeLay and Representative William Delahunt. The Humanitarian Assistance Code of Conduct Act of 2005 will go far to help ensure the protection of some of the world's most vulnerable people.

The American Red Cross fully supports the effort to prevent sexual exploitation and abuse in any form, especially when committed against children. As an organization chartered by Congress to bring emergency relief to disaster victims all over the world, we firmly believe that our humanitarian workers should behave in a way that is beyond reproach.

Since 2003, the American Red Cross has integrated the six core principles identified by the Inter-Agency Standing Committee Task Force on Protection within the policies and procedures of the American Red Cross International Services. Making these principles the standard operating procedures for relief organizations will help ensure those most in need are not victimized yet again by those sent in to help. Our organization stands in support of this legislation and thanks Congress for advocating on behalf of those in need of humanitarian assistance.

[From Refugees International, Mar. 1, 2005]

STATEMENT BY KEN BACON, PRESIDENT OF REFUGEES INTERNATIONAL, IN SUPPORT OF THE HUMANITARIAN ASSISTANCE CODE OF CONDUCT ACT (HR 912)

Refugees International (RI) applauds the introduction of HR 912: The Humanitarian Assistance Code of Conduct Act to protect beneficiaries of humanitarian assistance. Since the scandal in Sierra Leone involving 'sex for food' abuses by humanitarian workers in 2002, United Nations agencies and U.S. non-governmental organizations have slowly begun to implement codes of conduct regarding sexual exploitation. The Inter-Agency Standing Committee Code of Conduct, the principles of which are included in this legislation, is testimony to the seriousness with which the responsible members of the humanitarian community have responded to this issue.

However, many contractors and others that have received funding from the U.S. government have not yet faced up to the issue of sexual exploitation in emergency settings. The battle to protect vulnerable women and children from humiliating and degrading behavior is difficult, as is evidenced by the ongoing problems in the Democratic Republic of Congo. By requiring that all U.S. humanitarian funding go to organizations that are working within the framework of the IASC guidelines, Congress is sending a strong message to vulnerable women and children that they have a powerful ally in their struggle for human dignity in the face of overwhelming odds.

As an independent organization that promotes life-saving action for displaced people around the world, RI strongly supports the US Congress's efforts to require all organizations involved in the delivery of humanitarian assistance to adopt a code of conduct to protect vulnerable women and children from sexual exploitation and abuse by those charged with assisting them. We are fully committed to the IASC principles and to advancing the code of conduct throughout the humanitarian community. RI therefore urges all members of Congress to support the vulnerable women and children of the world by passing this bill into law.

□ 1045

Mr. SMITH of New Jersey. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas (Mr. DELAY), the distinguished majority leader.

Mr. DELAY. Mr. Speaker, I thank the gentleman for yielding me the time, and I really thank the gentleman from Massachusetts (Mr. DELAHUNT) for bringing this bill to the floor and particularly the gentleman from California (Mr. LANTOS) and the gentleman from New Jersey (Mr. SMITH) for working hard to make sure it was all right and well. These three gentlemen have worked tirelessly on children's issues, particularly this issue. It is a thankless issue.

Just like people in the United States do not want to talk about abused and

neglected children in foster care, people around the world, and particularly governments, do not want to recognize that sex trafficking is going on, slavery is going on, and actual exploitation of children and women is going on around the world. These three men have worked tirelessly on the thankless job to raise this issue, an issue this is vitally important to the lives of many, many people.

Last December, the United Nations Under Secretary for Humanitarian Relief reported that cases of sexual abuse and exploitation by U.N. peacekeeping and humanitarian personnel had reached an unacceptable level.

Victims of natural disasters and civil wars, especially children, are among the most vulnerable people on Earth.

In many places around the world, the security of homes, families and lives rely on the compassion and commitment of international relief organizations. As anyone who has ever seen them in action could tell my colleagues, the men and women who devote their lives to this work, who travel at a moment's notice to help total strangers, survive in desperate straits, arrive on such scenes with wings on their backs.

The very thought that such people could prey upon the women and children under their care is disturbing in the extreme, and yet we must now sadly admit such cases have occurred.

Victims of disasters need our help, and the American people always respond to humanitarian crises with compassion and generosity. That any of our generosity for these victims might be twisted into revictimizing them will not stand.

Assistance must reach those in need of relief, and it must be delivered by organizations and individuals committed to their safety. That is what this bill will do.

The Humanitarian Assistance Code of Conduct Act, the result of cooperation from humanitarian relief organizations, administration officials, and especially the work of the gentleman from Massachusetts (Mr. DELAHUNT) will ensure that from now on the American people need not accept a choice between indifference and abuse.

It will require any organization receiving humanitarian assistance funds from the United States Government adopt a strict code of conduct for its relief workers.

It will prohibit humanitarian relief workers from engaging in sexual contact with minors, soliciting prostitution, and in other ways exploiting the women and children of disaster-ravaged communities.

Such organizations must strongly discourage any sexual relationships between relief workers and beneficiaries and will immediately terminate any worker who crosses the line.

The best of such groups already adhere to the principles in this bill, groups that have assisted in its development, groups that set a gold standard for every aspect of humanitarian activity; and the adoption of these principles by more and more groups will help eradicate the behavior they specifically prohibit.

This code of conduct will help identify and document at-risk children in devastated regions, reducing the likelihood that such children will fall through the cracks and into the dark world of exploitation, abuse, and even human trafficking.

It is sickening that this bill even merits consideration, Mr. Speaker; but in order to protect some of the world's most vulnerable people, consider it and pass it we must.

The exploitation of women and children who have already lived misery few of us could even imagine at the hands of their would-be rescuers is a corruption of humanity itself. Those responsible for such evil are terrorists of the soul, Mr. Speaker, their crimes of a sort civilization cannot brook.

I urge my colleagues to join me in supporting the gentleman from Massachusetts' (Mr. DELAHUNT) bill and reminding the world the only acceptable level of abuse and exploitation of human life is none.

I, too, want to thank the staff, particularly my staff, Dr. Cassie Bevan, in working on this, the staff of the Committee on International Relations on both sides; and certainly the gentleman from Massachusetts' (Mr. DELAHUNT) staff did excellent work on this issue.

This is an issue that people have to pay attention to, and hopefully this bill will help.

Mr. LANTOS. Mr. Speaker, I yield myself such time as I may consume.

We have no additional requests for time; but before yielding back, I want to join the gentleman from Massachusetts (Mr. DELAHUNT) in paying tribute to the majority leader and to the gentleman from New Jersey (Mr. SMITH) for their invaluable work on this issue.

Mr. Speaker, I yield back the balance of my time.

Mr. SMITH of New Jersey. Mr. Speaker, we do have one additional request for time, and I yield such time as he may consume to the distinguished gentleman from Connecticut (Mr. SHAYS).

Mr. SHAYS. Mr. Speaker, I appreciate the gentleman yielding me time, and I just want to rise in strong support for the gentleman from Massachusetts' (Mr. DELAHUNT) bill and a bill supported by the gentleman from Texas (Mr. DELAY), the majority leader, and to thank the gentleman from New Jersey (Mr. SMITH) and the gentleman from California (Mr. LANTOS) for always being out front on such important issues.

This bill takes a very meaningful step. It may be small, but it is meaningful to ensure those who are most vulnerable in emergency situations, women and children, are not exploited.

In my work as chairman on the Subcommittee on National Security, Emerging Threats and International Relations, I have had the opportunity to witness the crucial and awe-inspiring work of humanitarian aid organizations around the world. I am, frankly, in awe of organizations like AmeriCares, Save the Children, MercyCorps and so many others. They do extraordinary work.

As an original cosponsor of this legislation, I can clearly state we have no intention of hindering, in any way, the crucial work these and other humanitarian organizations do. In fact, most of the organizations working with the USAID already have adopted policies that protect their beneficiaries.

What we do want to say, however, is that with the U.S. Government's financial assistance comes some responsibility, and so by passing this legislation we will require aid organizations to adopt a code of conduct that protects beneficiaries of their assistance from sexual exploitation and abuse. This is not a burdensome condition.

In fact, the United Nations created a Task Force on Protection from Sexual Exploitation and Abuse in Humanitarian Crises and established a set of six core principles. This legislation clarifies the code of conduct should be consistent with those six principles to the maximum extent practicable.

We can all agree that Americans want to know our foreign assistance is being put to good use and certainly that it is doing no harm. I am sincerely grateful to the gentleman from Massachusetts (Mr. DELAHUNT) and to the gentleman from Texas (Mr. DELAY). It makes me feel encouraged that on a bipartisan basis we can do something that has meaning and frankly will not only bring our country together, but bring this Congress together.

Mr. SMITH of New Jersey. Mr. Speaker, I yield myself 30 seconds.

We have no further requests for time, and I just want to conclude and again say to my friends on the other side of the aisle, to the gentleman from Massachusetts (Mr. DELAHUNT), the gentleman from California (Mr. LANTOS), as well as to the gentleman from Illinois (Mr. HYDE), the chairman of our distinguished Committee on International Relations, to the gentleman from Connecticut (Mr. SHAYS) and, of course, to our majority leader for his leadership on this in ensuring that this very important piece of legislation not only gets expedited treatment but will be passed early and closed enough to the tsunami in order to address some of the problems that were exposed as a result of it.

Children need protection. Women need protection. This bill advances that ball. It is an important and very

noble task, and I am glad we have bipartisan consensus on this kind of humanitarian and human rights legislation.

Ms. PRYCE of Ohio. Mr. Speaker, I rise today in support of H.R. 912, the Humanitarian Assistance Code of Conduct Act. I'd like to first thank Majority Leader DELAY and the gentleman from Massachusetts, Mr. DELAHUNT, for their steadfast work on crafting this critical legislation. They have put partisan politics aside to collaborate on a monumental initiative that will establish a clear U.S. policy to protect some of the most vulnerable refugees in the tsunami-affected areas.

It's been over two months since the tsunami devastated villages and neighborhoods across South Asia. Yet while the images we were so used to seeing on television in the days and weeks after the tragedy struck seem to have all but disappeared from the airwaves, lives remain shattered, loved ones are still missing, and communities are still coping with inexplicable loss and devastation.

Individuals and communities around the world have poured out their hearts and opened up their pocketbooks to help victims of the tsunami. And while so much good has come out of something so terrible, there remains a dark and vicious threats that has infiltrated this region for years.

South Asia has been a source and destination for human trafficking for a long time. While efforts are being made to put a stop to this horrific form of modern day slavery, the problem remains prevalent in this region. Natural disasters, like the tsunami, significantly increase the risk for trafficking and exploitation of women and children.

That is why the legislation we're considering on the floor today is important. It takes us another step forward in our global effort to combat human trafficking and the sexual exploitation of women and children. This measure will help insure that the children in the tsunami-affected region who lost family members or the roof over their heads will be protected from those who may try to prey on them.

I urge my colleagues to lend their strong support for this critical legislation.

Mr. SMITH of New Jersey.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. LAHOOD). The question is on the motion offered by the gentleman from New Jersey (Mr. SMITH) that the House suspend the rules and pass the bill, H.R. 912.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. LANTOS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 10 o'clock and 55 minutes a.m.), the House stood in recess subject to the call of the Chair.

□ 1405

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. SIMPSON) at 2 o'clock and 5 minutes p.m.

PROVIDING FOR CONSIDERATION OF H.R. 27, JOB TRAINING IMPROVEMENT ACT OF 2005

Mr. BISHOP of Utah. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 126 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 126

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 27) to enhance the workforce investment system of the Nation by strengthening one-stop career centers, providing for more effective governance arrangements, promoting access to a more comprehensive array of employment, training, and related services, establishing a targeted approach to serving youth, and improving performance accountability, and for other purposes. The first reading of the bill shall be dispensed with. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Education and the Workforce. After general debate the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute recommended by the Committee on Education and the Workforce now printed in the bill. The committee amendment in the nature of a substitute shall be considered as read. No amendment to the committee amendment in the nature of a substitute shall be in order except those printed in the report of the Committee on Rules accompanying this resolution. Each such amendment may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. All points of order against such amendments are waived. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from Utah (Mr. BISHOP) is recognized for 1 hour.

Mr. BISHOP of Utah. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Massachusetts (Mr. MCGOVERN), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purposes of debate only.

Mr. Speaker, House Resolution 126 is a structured rule providing for 1 hour of general debate equally divided between the chairman and ranking minority member of the Committee on Education and the Workforce. The rule makes in order only those amendments printed in the Committee on Rules report, and for the time specified in the report. And finally, the rule provides for one motion to recommit with or without instructions.

Mr. Speaker, I am pleased to stand before the House today in strong support of this rule and support of the underlying resolution legislation, H.R. 27, the Job Training Improvement Act of 2005. The gentleman from Ohio (Chairman BOEHNER) and the gentleman from California (Subcommittee Chairman MCKEON) and the committee members from both sides of the aisle are to be commended for their diligence and hard work in putting together a comprehensive measure reauthorizing vital job training programs while, at the same time, providing for improvements of those programs aimed at providing greater flexibility, accountability, targeting Federal dollars where they will be most effective and where there is the highest demonstrated need.

Mr. Speaker, my favorite movie of all time has always been ''Inherit the Wind.'' I still think it is Spencer Tracy's greatest role. But in that he, playing the character of Henry Drummond, talks about the other main character, Matthew Harrison Brady, who was a well intentioned, yet flawed, character. And in talking about his death, Drummond says of Brady, a giant once lived in that body. But Matt Brady got lost because he was looking for God too high and up too far away.

Federal Government is a lot like Matt Brady. We are well intentioned, the greatest of desire to serve; but we oftentimes get lost and allow too many people to fall through cracks and harm people because we try to solve problems from too high up and administer programs from too far away.

From this isolated Hall, we often concoct specific standards that fail people who have the needs but do not fit our preconceived standards. Last Wednesday in my district at a town meeting, I met a young lady by the

name of Micaela, who offered me also this five-page letter of her efforts and her concerns. She is in need of vocational rehabilitation services, but does not quite fit our standards we have designed.

In her letter she said in her years of trying to receive services that she was told she had too many disabilities, too few disabilities. You could not visually see her disability. She was too young, too old, and too rare of a circumstance. You name it, she had heard it. And she has also been basically told that I am not worth helping, hiring, or even listening to.

Oftentimes the Federal Government, in fact, not oftentimes. The Federal Government's only advantage is that of uniformity. By definition we can deal with people only as objects on a factory conveyor belt designed to meet the Federal factory specifications.

But if we truly believe that people are each individuals, that they have a spark of divinity, that individual needs are there that require individualized help, then we do not need uniformity. What we need is creativity, efficiency, and caring; and that can only be done effectively on the State levels, which is why this particular bill has gone from several years ago, 63 programs, has now taken three funding streams and tried to bring it into one so they could help individual people by trying to apply 70 percent of the funding that has been given to students to those who have been unserved and out of school, to create a demonstration project for personal reemployment accounts to meet individual needs to be addressed by that individual, and to present the President's community college program and tie them all together to give local governments the ability to work with individuals so that Micaela here does not slip through the crack by definition.

Prior to coming to Congress, I had the opportunity, like many of you, of serving in the State legislature, and I was a teacher for a long time. In that position, or those positions, I witnessed firsthand the years of oftentimes Federal programs and mandates shoved on States, on local school districts, on local units of governments with this one-size-fits-all uniform approach. What was often, too often, left out were, quite frankly, the bona fide local needs. A uniform Federal approach stifles innovation with the heavy hand of Federal regulations and professionalism.

The philosophy behind H.R. 27, therefore, is to give Governors as the chief political officer of the States the flexibility over job training programs to promote economic development and jobs based upon local needs, and that way, the States become responsive to employment and to job markets.

Recently, I attended a community college, a community technical college in my district. And I was amazed at the benefits I saw of partnerships with local private industry, government contractors, and local employers coming together. In their diesel program, to find the kinds of materials that were provided by the industry, they have to get hands-on experience for first-rate technicians. And in program after program in that particular college, I saw, through innovation and hard work, the community college has been able to leverage the State and Federal dollars and to attract private contributions for equipment and training that met the need of training qualified workers in the high-tech future.

Vocational rehabilitation services in State after State does the same thing. But these type partnerships are not just allowed in this bill. They are encouraged under this legislation, which is vital in helping provide workers for the competition of the 21st century.

H.R. 27 is strongly supported by a coalition of community colleges which authorizes $250 million for community-based job training grants to strengthen the role of those communities' colleges and to promote the United States' full workforce potential.

We face a 21st-century challenge in an ever-changing technology and the aging American workforce. We must provide States, local workforce boards, Governors flexibility to fit real people with real skills for real jobs. And they vary in need from State to State. We must allow them the opportunity to work together as they see fit to help people like Micaela.

I further support H.R. 27 because it targets Federal funds to groups of youths who are presently underserved, because it provides for individual self-help efforts.

I would like to point out also that H.R. 27 builds upon legislation passed in the 108th Congress, namely H.R. 1261, the Workforce Reinvestment and Adult Education Act of 2003, which was passed by this House.

There may be some who would oppose this bill because it respects both the letter and the spirit of existing law. If there is a problem with existing law, this is not the proper venue for that discussion.

□ 1415

Let us not, in the debate over the rule or the bill, lose focus and lose sight of our goal, which is to help the Micaelas of this Nation who need services, which are and will continue to be distributed fairly without precondition.

It is significant that we not confuse services rendered with the desire of some to sanitize and regulate legally diverse practices, reaffirmed in a rare moment of sanity by the courts, which do not impact the rendering of those employment services. Others beside sanctioned-government programs care and help and are effective, and we ought to forget the old pattern of confrontation and pointless attacks on groups that we see as different; we should join for the common goal of helping people.

Mr. Speaker, this is a good rule, supporting a bill that has been discussed and amended in committee through regular order. The rule allows for three specific amendments to focus discussion on key elements of the proposal. I am looking forward to riveting debate on this bill, with the realization our goal is to help the Micaelas of this world who have been hurt because there have been programs which are too high, too far away, and forgot our purpose of helping real people. I urge adoption of the rule.

Mr. Speaker, I reserve the balance of my time.

Mr. MCGOVERN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank the gentleman from Utah (Mr. BISHOP) for yielding me the customary 30 minutes.

Mr. Speaker, here we go again. The 109th Congress convened 2 months ago. The Committee on Rules has reported eight rules, including the one we are considering today. None of these rules, not a single one, has been open. The Republican majority is zero for eight on open rules. It is an abysmal record and just continues to prove how out of touch with America, and with the democratic process, this leadership really is.

I oppose this rule and I oppose this bill. The Republican leadership seems to think that the job picture in this country is rosy, but they could not be more wrong. They seem to think jobs are popping out of the woodwork, but it is clear our workers need job training assistance in order to compete in the 21st century workplace.

When we think that the Republican leadership cannot be any more out of touch with the challenges facing working Americans, they bring the Job Training Improvement Act of 2005 to the floor today.

Let us look at the facts. Every day over 85,000 people in this country lose their jobs. Under this administration's watch, the Nation has lost 2.8 million jobs, and 4.3 million formerly middle class Americans have been pushed into poverty. President Bush's failed economic policies have produced a 5.2 percent unemployment rate.

Let us be clear. This slightly lower unemployment rate does not signal a rebounding labor market. In addition to the 8 million Americans who are currently unemployed, there are 5 million unemployed workers who want to work but have given up looking for jobs simply because there are no jobs out there for them. Beyond that, there are 4.5 million people who have accepted low-wage, part-time work simply because they cannot find full-time employment in this weak economy. The

real unemployment rate would skyrocket to 9.3 percent by merely including these workers.

And not only are millions of American workers looking for jobs, but the long-term unemployment rate, workers who have been jobless for 6 months or more, is the highest in more than 20 years. Despite these startling statistics, this administration has continued to resist efforts to extend unemployment benefits for the 3.5 million workers who have exhausted their coverage.

The Republicans have mismanaged this economy, and American workers are paying the price through lower pay, reduced benefits, and in too many cases job loss. As if this were not enough, the Republican leadership is trying to enact broad, sweeping changes to the Workforce Investment Act. This bill will do nothing to create new jobs, reduce the number of unemployed people in this country, or sufficiently training workers for jobs. Frankly, this bill is a slap in the face to American workers. Contrary to what we will hear from the Republican leadership, the Job Training Improvement Act will actually make it harder for the unemployed to obtain employment and reemployment training.

Specifically, H.R. 27 would eliminate the employment services system, a program which provides critical job assistance to those unemployed workers hardest hit with the job loss of recent years. In my home State of Massachusetts, this program provides services to nearly 165,000 jobseekers each year, and it has successfully helped 75 percent of them retain employment in less than 6 months.

In addition, this bill block grants adult and dislocated worker funding streams. It allows States to use funds from the Disability and Veteran Employment and Adult Learning Programs to fund expenses at the Workforce Investment Act's centers. The result of this provision will be more bureaucracy and less training for the disabled and veterans.

Given all of the rhetoric that we hear about supporting our troops and providing for our veterans, we should find this provision particularly disturbing. We should be doing everything we can to help veterans find employment instead of slashing the disability and veteran employment and adult learning programs.

Additionally, the bill eliminates existing protections and safeguards against low quality and potentially fraudulent job training providers and permits States to allow these providers to receive Federal funding. It caps at 30 percent the use of funds for services targeting low-income youth, those considered most likely to drop out of school.

If that were not bad enough, this bill also abandons a core principle of our Constitution by repealing civil rights protections written into current law.

Twenty-one years ago, then-Senator Dan Quayle sponsored legislation that provided civil rights protections against religious-based employment discrimination in programs that receive Federal funding. These protections were extended to secular as well as religious organizations. President Reagan signed that bill into law. It is not every day that I praise Dan Quayle, but the nondiscrimination provision he offered is good policy which has served us well. This provision received strong bipartisan support when the Workforce Reinvestment Act was reauthorized in 1998.

However, the Job Training Investment Act shreds these protections by allowing religious organizations to receive Federal funding for job-training activities and social services while also employing religious-based discriminatory practices. In other words, this bill would allow a religious organization that discriminates based on religion, like a Bob Jones University, to get taxpayer money and use that Federal funding to legally discriminate on religious grounds when hiring staff to carry out the job training programs and services in this bill.

But let me be clear, the right of churches, synagogues, mosques and other religious organizations to remain free from government intervention has long been protected under the law, and I am sure my colleagues join me in support of this protection. Congress has always exempted faith-based organizations from antidiscrimination provisions in programs funded by their own money, and we are not proposing that a church or synagogue or mosque be forbidden from using religious criteria in deciding who to hire as a minister or rabbi or imam.

However, that same church, synagogue or mosque should not be permitted to apply for and receive Federal funding for job training and then, as written in this bill, be exempted from Federal civil rights protections. Faith-based institutions should be required, like all other recipients of Federal funds, to adhere to basic civil rights laws, and I cannot even begin to count the number of institutions that have contacted my office in the last few days asking to be held to those same standards.

Last night in the Committee on Rules, I heard my colleagues, the gentleman from Virginia (Mr. SCOTT) and the gentleman from Florida (Mr. HASTINGS) talk about a return to discrimination practices that forced these men and millions of other African Americans to drink from separate drinking fountains and eat at separate lunch counters from white Americans.

How can anyone justify abandoning one of our Nation's most fundamental principles? How can Members believe this is the right position for Congress to advocate? How can Members believe this provision is moral? I certainly cannot find it in myself to do so. This provision is offensive, it is ugly, it is wrong, it is unacceptable. But beyond that, Mr. Speaker, I believe it is unconstitutional and unAmerican.

The gentleman from Virginia (Mr. SCOTT) will offer an amendment to strike this offensive provision from the bill. I hope that my colleagues will join me in voting for the Scott amendment. It is important that we oppose discrimination at every turn, and this is an important vote.

Mr. Speaker, many Democrats offered several high-quality amendments in the Committee on Rules yesterday. Unfortunately, the majority has continued to stifle the democratic process by denying common sense amendments to this bill.

Just because the Republican leadership allowed the Scott amendment to be considered on the floor today does not make this a good rule. Once again, let me remind my colleagues and the American people watching at home that the Republicans have not reported one single open rule this year.

Mr. Speaker, this is an unfair rule, poor policy-making and a bad bill. It is truly a tragedy when a Nation that prides itself on democracy and equality considers and will most likely pass a bill that would permit employment discrimination in federally-funded programs. It is a slippery slope from here on out, and I fear this may just be the beginning. I urge this House to defeat the rule and vote against the bill.

Mr. Speaker, I reserve the balance of my time.

Mr. BISHOP of Utah. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio (Chairman BOEHNER).

Mr. BOEHNER. Mr. Speaker, I congratulate the gentleman from Utah (Mr. BISHOP) as a new member of the Committee on Rules for his work today on his first rule that he is bringing to the floor of the House.

Today we are considering a rule that would allow for consideration of the reauthorization of the Workforce Investment Act. The Workforce Investment Act, enacted in 1998, brought together some 60 Federal job-training and retraining programs, and put them together and we created these one-stop shops all across America. They are intended to be able to provide training and retraining for American workers who are out of work or workers who simply want to improve their skills so they can move up the economic ladder.

By and large, these one-stop shops have worked very well, but as we reauthorize this law, it is our obligation to take a look at what is working, what could work better, and as we bring this reauthorization forward, there are some important changes that we are bringing to the floor with it.

Mr. Speaker, we want to provide more flexibility for the local workforce

boards to do their work by consolidating the funding stream. We want to ensure that more of the funding that is available for this Act goes down to the local county boards, or, in some cases, multiple county jurisdictions. In this bill, we also renew the vocational programs for those who have disabilities, an important part of our workforce.

I think all of us know if we are going to be successful in the 21st century, that America has to do a better job of training and retraining our workforce. The days of going to work for one employer and being there for most of your career are, by and large, over. People are going to change jobs multiple times during their career, and we have to have available to them the kinds of services where they can improve their skills to take that new job of tomorrow.

The reauthorization program that we have today, I think is a good one. There is one amendment that we will debate that we have had considerable debate on over the last several years in this Congress and considered in the committee twice during the markup of this bill. It is on the faith-based language. Members are going to hear an awful lot about it today, but let me give the parameters.

The 1964 Civil Rights Act, the landmark legislation which prevented discrimination in America, allowed for one exception in hiring and that exception was granted to religious organizations where we grant them an exemption if they wished to only hire people of their own faith. That is the law. It has been the law since 1964.

We believe that faith-based providers who may want to offer services, job training services or retraining services, ought not to be denied their rights under the 1964 Civil Rights Act just because they want to help the neediest of the needy and help the poor improve their skills and get a job.

This is a great debate which has gone on for several years. We allow faith-based providers in this bill to provide services without giving up their protections in the 1964 Civil Rights Act. Some believe, and it is certainly their right to have a different opinion, believe that faith-based organizations, even though they have this right, ought to be forced to give it up in order to take Federal funds to help the poorest of the poor.

Now I would argue those who really do believe that is the case ought to go back and amend the 1964 Civil Rights Act, title 7, and not try to do it in this bill. But this provision, and again, we will have ample time to debate it later, I think this provision helps organizations who want to go out and help the needy in their community. It gives them the tools to do it without having to set up a new organization, or denies them the ability and the rights that they have under the 1964 Civil Rights Act.

□ 1430

I think that we have a fair rule before us. I think it will provide for a very meaningful debate today on this reauthorization. I would urge my colleagues to support it.

Mr. MCGOVERN. Mr. Speaker, I yield myself such time as I may consume.

I would just reiterate that what we believe is that taxpayer money should not be used by faith-based organizations to discriminate against people based on religion. What we feel is that this provision in this bill is offensive and it turns the clock backwards on civil rights.

Mr. Speaker, I include for printing in the RECORD a letter opposing this bill signed by 67 religious organizations and civil rights organizations that have great concerns not only with the provision on religious-based employment discrimination but on a whole series of other provisions.

FEBRUARY 28, 2005.

DEAR REPRESENTATIVE: The undersigned organizations are writing to urge you to vote against H.R. 27, the Job Training Improvement Act, unless it is modified to address the concerns outlined in this letter; and to oppose any effort to expand the block grant authority in the bill along the lines of the Administration's ''WIA Plus'' proposal.

H.R. 27 fails to make meaningful improvements to the Workforce Investment Act (WIA) that would enhance the training and career opportunities of unemployed workers. Instead, the legislation would eliminate the dislocated worker training program, undermine state rapid response systems, end the federal-state labor exchange system, roll back protections against religious discrimination in hiring by job training providers, and potentially undermine the stability of other important programs.

In particular, we are concerned about the following provisions in H.R. 27:

NEW BLOCK GRANT

H.R. 27 consolidates into a single block grant the WIA adult and dislocated worker programs with the Wagner-Peyser employment service program and reemployment services for unemployment insurance recipients. In doing so, it will eliminate job training assistance specifically targeted to workers dislocated by off shoring and other economic changes, pit different types of workers against each other, and lead to future funding reductions. The block grant also eliminates the statewide job service, which provides a uniform statewide system for matching employers and jobseekers, replacing it with a multiplicity of localized programs that would have no incentive or ability to cooperate and function as a comprehensive labor exchange system. Eliminating the employment service, which is financed with revenue from the unemployment insurance (UI) trust fund, breaks the connection between the unemployment insurance program and undermines the UI ''work test,'' which ensures that UI recipients return to work as quickly as possible.

INFRASTRUCTURE AND CORE SERVICES FUNDING

A principal criticism of WIA has been the substantial decline in actual training compared to its predecessor, the Job Training Partnership Act. While there are various reasons for the reduction in training, including the sequence of services requirement in current law, the use of WIA resources by local boards and operators to build new one-stop facilities and bureaucracies, without any limitation, has contributed substantially to the decline in training. This is despite the fact that many WIA partner programs also contribute operating funds to one-stop operations.

H.R. 27 gives governors even broader discretion to transfer additional resources from the WIA partner programs to pay for WIA infrastructure and core services costs—without any assurance that more training would result. These programs include the vocational rehabilitation program, veterans employment programs, adult education, the Perkins post secondary career and technical education programs, unemployment insurance, trade adjustment assistance, Temporary Assistance for Needy Families (TANF), and, if they are partners, employment and training programs under the food stamp and housing programs, programs for individuals with disabilities carried out by state agencies, including state Medicaid agencies, and even child support enforcement. By relying on funding transfers from these programs to guarantee resources for WIA infrastructure and core services, H.R. 27 will disrupt and weaken services provided by these non-WIA programs, which also will face substantial pressures for funding reductions in the next few years.

The infrastructure and related provisions start the commingling of funds from these non-WIA programs. In doing so, they transform the original one-stop idea of a better-coordinated workforce system into a mechanism for reducing resources for and block granting these programs in the future. A more effective and simple solution to ensuring adequate training services would be to require that a certain percentage of WIA funds be used for training as provided in previous job training programs and to create a separate WIA funding stream for one-stop operations, if necessary.

PERSONAL REEMPLOYMENT ACCOUNTS

H.R. 27 includes permanent and unlimited authority for the Secretary to conduct ''personal reemployment account'' (PRA) demonstrations even though the Department of Labor recently initiated a PRA demonstration without strong interest among the states. Although nine states could have participated, only seven are doing so.

Since this demonstration already is in process, we see no justification for this provision and can only surmise that it is an attempt to implement PRAs more broadly, despite a lack of Congressional support for a full-scale program in the past.

Unlike current WIA training programs, the PRAs would limit the cost of training that an unemployment insurance recipient can receive and would bar that individual from WIA training services for a year after the PRA account is established. This is the wrong way to go. With long-term unemployment at historically high levels, there is a much greater need for continued unemployment benefits for the long-term unemployed who have found it so difficult to become re-employed.

RELIGIOUS-BASED EMPLOYMENT DISCRIMINATION

H.R. 27 repeals longstanding civil rights protections that prohibit religious-based employment discrimination by job training providers. These protections have been included in job training programs, which received bipartisan support, since 1982. At no time have the civil rights provisions prohibited religious organizations from effective participation in federal job training programs. This

rollback of civil rights protections is especially incongruous in a program designed to provide employment and career opportunities in an evenhanded manner and should be rejected.

WIA PLUS PROPOSAL

The Administration has proposed giving Governors authority to merge five additional programs into the WIA block grant. The proposal would eliminate specialized assistance to unemployed, disabled and homeless veterans, critical job training services for workers under the Trade Adjustment Assistance Act whose jobs have been outsourced or lost to foreign competition, and specialized counseling and customized help for people with disabilities through state vocational rehabilitation agencies. These individuals would have to compete with each other for a declining share of resources without the protections and requirements under current law. Furthermore, the proposal abrogates accountability for the expenditure of federal taxpayer dollars by eliminating program reporting requirements. We strongly urge you to oppose any effort to adopt this misguided plan.

In summary, H.R. 27 strays far from the appropriate mission for federal job training programs of enhancing training opportunities for workers and providing skilled workers for employers. We strongly urge you to oppose this legislation unless amendments are adopted to delete the block grant, PRA demonstration and religious-based discrimination provisions and to modify the infrastructure provisions as recommended.

American Association of People with Disabilities.
American Civil Liberties Union.
American Counseling Association.
American Federation of Government Employees (AFGE).
American Federation of Labor-Congress of Industrial Organizations (AFL-CIO).
American Federation of State, County and Municipal Employees (AFSCME).
American Federation of Teachers (AFT).
American Humanist Association.
American Jewish Congress.
American Psychological Association.
American RehabACTion Network.
Americans for Democratic Action (ADA).
Americans for Religious Liberty.
Americans United for Separation of Church and State (AU).
Association for Career and Technical Education.
Baptist Joint Committee.
Brain Injury Association of America.
Brotherhood of Locomotive Engineers and Training.
Campaign for America's Future.
Center for Community Change.
Communications Workers of America (CWA).
Council of State Administrators for Vocational Rehabilitation (CSAVR).
Easter Seals.
Equal Partners in Faith.
Goodwill Industries.
Institute for America's Future.
Interfaith Alliance.
International Association of Machinists and Aerospace Workers.
International Brotherhood of Teamsters.
International Union of Painters and Allied Trades.
National Advocacy Center of the Sisters of the Good Shepherd.
National Alliance For Partnerships in Equity.
National Association of State Directors of Career Technical Education Consortium.
National Association of State Head Injury Administrators.
National Council of Jewish Women.
National Education Association.
National Employment Law Project.
National Head Start Association.
National Immigration Law Center.
National Law Center on Homelessness & Poverty.
National League of Cities.
National Organization for Women.
National Rehabilitation Association (NRA).
National WIC Association.
National Women's Law Center.
NETWORK, A National Catholic Social Justice Lobby.
OMB Watch.
Paralyzed Veterans of America.
Patient Alliance for Neuroendocrine-immune Disorders; Organization for Research and Advocacy.
Plumbers and Pipe Fitters Union.
Professional Employees Department, AFL-CIO.
Protestants for the Common Good.
Service Employees International Union (SEIU).
The Arc of the U.S..
United Cerebral Palsy.
Unitarian Universalist Service Committee.
United Auto Workers (UAW).
United Church of Christ Justice and Witness Ministries.
United Mineworkers of America.
United Steelworkers of America.
USAction.
Welfare Law Center.
Wider Opportunities for Women.
Women Employed.
Women Work! The National Network for Women's Employment.
YWCA USA.
9 to 5, National Association of Working Women.

Mr. Speaker, I yield 3 minutes to the gentleman from New Jersey (Mr. HOLT).

Mr. HOLT. Mr. Speaker, I thank the gentleman from Massachusetts for yielding me this time, and I rise to oppose this rule to H.R. 27, the Workforce Investment Act. The gentleman from Ohio, the chairman of the committee on which I serve, is correct. The Workforce Investment Act has been successful. The renewal that is proposed to us today, however, is a step backwards; and we will hear a great deal about that.

There were amendments that were proposed that have not been made in order. These amendments would have created a separate authorization for infrastructure funding for one-stop centers, would have struck the provisions regarding personal reemployment accounts. There was an amendment that would have struck the provisions to consolidate the funding of adult, dislocated worker and employment service; and an amendment that I would like to address at this moment that I offered that would have increased the authorization by $750 million for job training programs under the Workforce Investment Act.

Between fiscal year 2002 and fiscal year 2006, Mr. Speaker, funding for the Workforce Investment Act has been reduced by three-quarters of a billion dollars. This is for a program that works. But the funding has been reduced. My amendment would have restored this funding. However, the Committee on Rules did not see fit to accept the amendment. At a time when there are 7.7 million people unemployed, not counting those who have fallen off the rolls, 4.5 million working part-time because they cannot find a full-time job that they need, we should be doing more. Through the one-stop delivery system, job seekers have access to labor market information, job counseling, and job training to help them get back on their feet.

Back in 1998 when this bill, this program, was first passed, David Broder wrote an article. He said: When Senator Paul Wellstone walked off the floor arm in arm with Senator MIKE DEWINE of Ohio, bipartisan I should point out, Paul Wellstone said, ''MIKE, this may not be the lead story on the network news, but it's a good piece of work.'' Well, indeed it was not the lead story on the network news.

David Broder reports, It was hard to find a trace of their bill. The news at that time was overwhelmed, overtaken by scandals. But as says Broder, In communities less consumed by scandal than Washington, the impact of the measure that DEWINE and Wellstone and others had fashioned may be felt in real lives long after the memories of the scandals have faded. In a dynamic economy where technological changes and market shifts are forcing layoffs of some people even as other jobs are being created, the key is to equip workers with needed skills and then link them efficiently to the vacancies.

That is what this legislation is intended to do. It should be authorized at a greater amount. Said Broder back then, The workers will never know the names of the legislators, but they are in their debt.

Unfortunately, the workers who do not get to take advantage of this program because it is underfunded will never know what they have missed, and we have let them down. We should oppose this rule, Mr. Speaker.

Mr. BISHOP of Utah. Mr. Speaker, I yield 8 minutes to the gentleman from Michigan (Mr. EHLERS).

Mr. EHLERS. Mr. Speaker, I thank the gentleman for yielding me this time. I urge the body to adopt this rule and to pass the bill.

I will be addressing just one particular topic which has been controversial in committee discussions and will be the subject of an amendment later on, and that is turning the clock back on the Civil Rights Act of 1964 and changing what it says. Those who are opposed to this bill on that ground believe that somehow it is wrong to allow religious institutions to receive Federal funds for programs that benefit the public at large, are not restricted

to people of particular faith but are operated by organizations that are religiously based.

I have listened carefully to the debate in the committee. We have had this same debate several times in committee. I have yet to understand precisely what the objections are, but it seems that opponents are afraid of two things: one, that this provision in the bill somehow will allow these organizations to discriminate on other grounds in their hiring, which is, first, contrary to the Civil Rights Act, and second, I would say religious organizations are the least likely to discriminate on the basis of race or any of the other forbidden categories.

The other objection appears to be that somehow these churches are going to use this Federal money to try to proselytize, to get people in these programs and then they will say, okay, now isn't this wonderful, you should join this church.

I would like to say, that is also not true. It just does not happen. I can speak from my personal experience. When my wife and I moved to Grand Rapids, Michigan, in 1966 to take on a new position, we looked for a church. In fact, we spent 3 months trying out different churches, looking, trying to find a certain something: we wanted a church in the inner city because we wanted to be able to contribute to solving the problems of the city of Grand Rapids, particularly in the inner city.

And so we joined Eastern Avenue Christian Reformed Church because of its location and because of the attitude of its people. They worked very hard in the community. As an example, they established a community center. There was none at that time either federally funded, State funded, or city funded. The church stepped in and started it. It was on the top story of a ramshackle building which housed a small convenience store in the lower floor. It grew slowly at first, but then took off. Today it is a large community center, one of the best, if not the best, in the city. They purchased a school which was being abandoned, filled up that school, and they now have just successfully completed a $2.5 million capital drive to add on to their facilities and improve them.

Our church started that. We did have and still largely do have religious restrictions on the hiring of individuals, but the facility serves all people in that community. It has brought in medical care workers of all faiths to work and provide medical care and dental care for the recipients in that community.

We started a housing program which turned into the Inner City Christian Federation, and we spun off this organization as well as Baxter Community Center, but they are still largely faith-based organizations. ICCF, the Inner City Christian Federation, developed housing programs, and they had built many houses before Habitat for Humanity started in our community; but ICCF has built and remodeled more houses than almost any organization within the city that I am aware of. Again, it is faith-based. The employees are hired partially on the basis of their faith and their commitment to serving in the inner city and often work for less pay than they could get elsewhere.

Our church, not our individual congregation, but our denomination started a mental health institution, Pine Rest, years ago because the people of our church and of our community were not getting adequate mental care. Today it is one of the largest mental health hospitals in our Nation. It serves many people of different faiths and of no faith, but it is a faith-based institution because their treatment modalities are based, to a large extent, on our beliefs about the nature of people and their interaction with each other. It has been very successful. It has received millions upon millions of dollars of aid from the Federal Government, from the State through community mental health funds and from the local community.

No one has ever said a word about this, that using Federal money for this is improper. The reason is simply that Pine Rest provides services that really are unequaled anywhere else. And so they have received Federal dollars through Medicaid and through Medicare, and State dollars through community mental health. It is an outstanding operation.

Then, finally, something we have ongoing in our church right now. Every Saturday, I wish you could visit our church; you would see people of all races, all colors, all faiths walking in the church basement which we have stocked with food that we have collected from different stores, warehouses and so forth: produce, baked goods, and many different types of perishable food.

We have purchased a truck to go around and collect this on Fridays. And Saturday morning anyone from that city can walk in with no test of their faith, no means test, they can just walk in and say, I need some groceries, and they go through the line. We charge them roughly 10 cents on the dollar because we think it is a good thing for them to feel they have bought something; but a family of four can buy a week's worth of groceries for about $10. That is a good deal. It is staffed by people from our church and from other churches, and it is a very successful operation. If we adopt the Scott amendment, which we will be discussing later, we simply could not do that.

There is one other factor here as well, and that is every church that I am aware of does not have a surplus of money. The people that they hire have to do many different jobs. That is true in our church as well. We have hired individuals who work in the church. Those individuals not only operate programs such as the food program, or getting community centers started, but they also have duties within the church and by necessity, and clearly within the intent of the Civil Rights Act, they are performing religious duties. A church cannot go out and afford to hire a different person to run each different program. You have to be multifaceted to be on the staff of a church, and that is precisely what we have in our church.

For these reasons, and many others I could enumerate, I urge the Congress to pass this rule and this bill, and to defeat the Scott amendment, so that churches and faith-based organizations of other sorts can continue to do their good work for the people of this country without fear of their programs being damaged because they would have to hire additional personnel who do not have a faith compatible with the organization.

I believe the system as we have it now, and have had it since the 1964 Civil Rights Act, has worked, it has worked well, and I urge that we keep it that way and not adopt the Scott amendment.

Mr. MCGOVERN. Mr. Speaker, I yield myself such time as I may consume.

I would just say to the gentleman who just spoke that we believe that there are many religious organizations, many faith-based organizations that do incredible work, and they will still be able to do incredible work. What we object to, quite frankly, is the use of taxpayers' money to basically subsidize discrimination. It is not just a concern that those of us who are speaking here have; I submitted a list of close to 70 civil rights and religious organizations that have objections to this provision, including the African American Ministers in Action; American Jewish Committee; the American Jewish Congress; Americans for Religious Liberty; the Anti-Defamation League; the Baptist Joint Committee; Central Conference of American Rabbis; Episcopal Church, USA; the General Board of Church and Society of the United Methodist Church; the National Advocacy Center of the Sisters of the Good Shepherd; National Council of Jewish Women; NETWORK, a national Catholic social justice lobby; Presbyterian Church USA; Protestants For the Common Good; Religious Action Center of Reform Judaism; Texas Faith Network; the Interfaith Alliance; Union for Reform Judaism; United Universalist Association of Congregations; United Church of Christ Justice & Witness Ministries. They go on and on and on. This is a concern that many of the faith-based organizations all across this country share with us.

Mr. Speaker, I yield 6 minutes to the gentleman from Virginia (Mr. SCOTT).

Mr. SCOTT of Virginia. I thank the gentleman for yielding me this time.

Mr. Speaker, we have heard a lot about the amendment I will be offering. I will be offering it in conjunction with the gentlewoman from California (Ms. WOOLSEY), the gentleman from Maryland (Mr. VAN HOLLEN), the gentleman from Massachusetts (Mr. FRANK), the gentleman from Texas (Mr. EDWARDS), and the gentleman from New York (Mr. NADLER) in order to preserve and maintain civil rights protections as they currently appear in the job training laws. Current law prohibits sponsors of job training programs from discriminating based on race or religion, and that policy goes back decades. For decades, our country has prohibited discrimination in hiring with Federal funds.

In 1941, President Roosevelt ordered a prohibition against discrimination in all defense contracts. In other words, since 1941, our national policy has been that even if you can build better and cheaper rifles, the Army will not buy them from you if you discriminate in employment. The Civil Rights Act passed in 1964, and it prohibited discrimination; but it included an exception for religious organizations, but that exception was limited to the context of the religious organizations using their own money. In 1965, President Johnson banned discrimination in all government contracts without exception.

□ 1445

In job training programs specifically, this Congress passed in 1982 the Job Training Partnership Act with bipartisan support. In that Act, Congress included a nondiscrimination clause without exception, and that remains the statutory requirement in job training requirement programs today. That policy will change and discrimination will be allowed if my amendment is not adopted.

So let us be clear. This is not a debate about religious organizations having the right to participate in job training programs. They already do. As the current law stands, and my amendment would keep that law intact, Catholic, Jewish, Lutheran, Baptist, and other religious organizations already get hundreds of millions dollars today to run job training and other federally funded programs. Religious organizations do not need Section 129 in the bill to sponsor federally funded job training programs. They need that section in order to discriminate in hiring with Federal dollars. My amendment would delete Section 129 and maintain the law against discrimination.

Moreover, Mr. Speaker, when the government refuses to prohibit discrimination based on religion, it cannot effectively enforce laws against discrimination based on race or national origin. Many churches are all virtually white; others virtually all black. So if they restrict hiring based on their religious organization, they can effectively discriminate based on race. And if we do not enforce discrimination laws in Federal contracts with secular programs, where is our moral authority to tell private employers who may be devoutly religious that they cannot discriminate with their private money?

Mr. Speaker, for 40 years, if an employer had a problem hiring the best qualified applicant because of discrimination based on race or religion, that employer had a problem because the weight of the Federal Government was behind the victim of discrimination. The underlying, without my amendment, proposes to shift the weight of the Federal Government from supporting the victim of discrimination to supporting some so-called right to discriminate with Federal funds. That is a profound change in civil rights protection.

Mr. Speaker, we have heard the majority try to defend the discrimination with misleading and poll-tested rhetoric. For example, I read in a Dear Colleague that the bill is one that would ''restore hiring protections for faith-based organizations participating in federal job training programs.'' Mr. Speaker, Section 129 does not restore anything. People have not been able to discriminate in Federal contracts since 1965 and specifically not in any job training program since 1982. If anything is being restored, it is the ugly practice of discrimination that existed before the 1960s.

The Dear Colleague went on to say that Congress needs to ''continue to uphold the basic civil right of America's religious organizations to hire the staff they judge to be best qualified to carry out their programs and missions when they provide job training assistance.'' Mr. Speaker, the language fails to say that they can hire whoever they want to promote their religious missions with the church money. But with the Federal money, they have got to hire the best qualified for the Federal mission the tax dollars were appropriated to promote without discrimination. Funds appropriated under this bill are not gifts or grants to churches. They are contracts for government services, and we should honor the tradition begun in 1941, which prohibits discrimination.

And, finally, Mr. Speaker, Dear Colleague talks about barriers that exist to prevent faith-based organizations from fully participating in government-sponsored programs, but it does not say what the barrier is. In fact, the only barrier is one cannot discriminate. Any program that can get funded under the underlying bill could be funded without Section 129 if the sponsoring organization would agree not to discriminate in employment. As a representative said during the debate on the Civil Rights Act of 1964, he said, ''Stop the discrimination, get the money; continue the discrimination, do not get the money.''

Employment discrimination is ugly. We can put lipstick on a pick, but we cannot pass it off as a beauty queen, and we cannot dress up ''we do not hire Catholics and Jews'' with poll-tested semantics and euphemisms and pass it off as anything other than ugly discrimination.

Mr. Speaker, religious organizations actively supported the Civil Rights Act 40 years ago. Today they support the nondiscrimination provision in the Workforce Investment Act the way it is and they oppose Section 129.

Mr. Speaker, I urge my colleagues to oppose the bill unless traditional civil rights protections are included.

Mr. BISHOP of Utah. Mr. Speaker, I reserve the balance of my time.

The SPEAKER pro tempore (Mr. SIMPSON). Without objection, the gentleman from Florida (Mr. HASTINGS) will control the time of the gentleman from Massachusetts (Mr. MCGOVERN).

There was no objection.

Mr. HASTINGS of Florida. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. EVANS).

Mr. EVANS. Mr. Speaker, H.R. 27, the administration's job training reauthorization bill, would, among other misguided actions, harm veterans' employment programs and critical vocational rehabilitation services.

Specifically, this bill would permit States to siphon off Federal resources from already underfunded veterans' employment programs that operate under State ''one-stop'' centers. Veterans and disabled job seekers do not deserve this.

Mr. Speaker, in the 107th Congress, we passed in a bipartisan manner the Jobs for Veterans Act, legislation to reorganize, update, and improve these very same veterans' employment and training programs. Now is not the time for this bipartisan effort to be unraveled. While our troops are actively engaged in Iraq and Afghanistan and many others suffering from severe injuries and permanent disabilities, now is not the time to reduce the resources for these critical job training programs. Indeed, we need to give these programs the chance to be effective.

Mr. Speaker, I understand that States are facing tremendous fiscal challenges due to the harsh economic times, but clearly taking resources from one chronologically underfunded program is not the answer. The responsible thing for the administration to do, the right thing, would be to adequately support job seekers, especially disabled veterans, as well as to assist the States with infrastructure costs.

Mr. Speaker, this legislation is not responsible and permits already modest resources intended for the Nation's disabled veterans, all who have served our country, to be further diminished.

I oppose this legislation and urge a ''no'' vote on the underlying legislation. And as a former Marine, I have benefitted from many programs that help veterans with education and training. As a continuation of those efforts, we must not let these people fall through the cracks that we have in our employment laws.

Mr. BISHOP of Utah. Mr. Speaker, I yield myself such time as I may consume.

May I respond simply to the arguments about our veterans because they are so important to us. Let me reiterate that H.R. 27 does not harm worker-retaining programs for veterans. Not one dollar from this account comes that is meant to help veterans with their training. The programs that we already have in place, specifically the Disabled Veterans' Outreach Program, the Local Veterans Employment Representative Program, the Vocational Rehabilitation Program, already are required to contribute to the infrastructure of these one-stop career center programs. Any money that would come to the one-stop center would be coming out of their administrative funds, not from the money going directly to the training of veterans. That is an area that was specifically covered in this bill.

Mr. Speaker, I reserve the balance of my time.

Mr. HASTINGS of Florida. Mr. Speaker, I yield back the balance of my time.

Mr. BISHOP of Utah. Mr. Speaker, I yield myself such time as I may consume.

In closing, my friends on the other side have had numerous objections to provisions in H.R. 27. They have a right to do so and I expect it will be warmly discussed in the ensuing discussion of the bill itself. I believe strongly in the ability of our States, Governors, local boards, workforce boards, to be creative and innovative. There is no omniscient power that we have here. People can think for themselves in other parts of this country. And the essence of our government demands that we give them the opportunity to succeed without the benevolent help of the Federal Government.

Our job, might I remind my colleagues, is to make sure the Micaelas of the world never slip through the cracks. I believe, and I have confidence in the ability of local governments to be creative and effective, and I think so does H.R. 27. What we have today is a confusing patchwork of employment, training services. The duplication of those reduces the amount of money we get to use to help Micaelas. Many amendments that we will be discussing on the floor have also been discussed in committee. A lot of other amendments were heard in the committee. This was fully discussed in committee and voted upon.

May I just, in closing, ask us not to lose sight that the goal is service and how to provide training for people which is given without any precondition. Hiring practices that are protected by existing law are that, protected by existing law. If we feel there is a problem with that, then we should attack the existing law, and there are venues to do that. This is not the venue in this particular bill. Faith-based institutions out there, which are not rich, are still nevertheless effective. They care. They have the same goal as we do. Our goal should be to try to join hands to help all the Micaelas in the world solve the problem of employment, retraining, and servicing, not to try to change our friends in other particular ways but to join together on a common front, in a common effort, to help people, not to harm people.

Mr. Speaker, in closing, I urge adoption of the rule and the underlying legislation.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise in opposition to the structured rule that has been reported out of the Committee on Rules for this debate. The party-line vote of 220–204 that we saw in the 108th Congress on the debate of the then H.R. 1261 should evidence the need for the most open debate over the issues. The need for debate arises from disagreement. As representatives of the United States Congress, we all have a duty to fully debate the issues on behalf of our constituents. A restricted rule precludes that opportunity.

Nevertheless, I am pleased that the amendments of my colleagues from Massachusetts, New York, and Virginia respectively have been ruled in order.

Passage of these three important amendments will bring H.R. 27 one step closer to providing more jobs and better opportunities for American workers to receive training for these jobs. Without them and many other suggestions that have been made by our colleagues, this bill fails as to both initiatives. In the short term, extending unemployment benefits, coupled with the assistance that unemployed workers can receive through one-stop service centers, will provide workers with the means to achieve high paying jobs.

We must address the needs of our unemployed now and in a manner that respects the rights of individuals regardless of their faith, while they are struggling to pay their mortgages and to put food on the table for their families. The base bill will fail to address these concerns and squander resources better used to provide immediate help to our unemployed workers.

Mr. Speaker, I urge my colleagues to reject a restrictive rule or to support the amendments offered by Mr. TIERNEY, Ms. VELÁZQUEZ, and Mr. SCOTT.

Mr. BISHOP of Utah. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. HASTINGS of Florida. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this question will be postponed.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess until 3:15 p.m. today.

Accordingly (at 2 o'clock and 56 minutes p.m.), the House stood in recess until 3:15 p.m.

□ 1515

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. SIMPSON) at 3 o'clock and 15 minutes p.m.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule xx, proceedings will resume on questions previously postponed.

Votes will be taken in the following order:

H. Res. 126, by the yeas and nays;

H.R. 912, by the yeas and nays.

Without objection, the minimum time for electronic voting on the second question will be reduced to 5 minutes, notwithstanding the intervention of remarks concerning the passing of a former Member.

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 27, JOB TRAINING IMPROVEMENT ACT OF 2005

The SPEAKER pro tempore. The pending business is the question of agreeing to the resolution, H. Res. 126, on which the yeas and nays are ordered.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the resolution.

The vote was taken by electronic device, and there were—yeas 227, nays 191, not voting 15, as follows:

[Roll No. 42]

YEAS—227

Aderholt	Bilirakis	Bradley (NH)
Akin	Bishop (UT)	Brady (TX)
Alexander	Blackburn	Brown (SC)
Bachus	Blunt	Brown-Waite, Ginny
Baker	Boehlert	
Barrett (SC)	Boehner	Burgess
Bartlett (MD)	Bonilla	Burton (IN)
Barton (TX)	Bonner	Buyer
Bass	Bono	Calvert
Beauprez	Boozman	Camp
Biggert	Boustany	Cannon

Cantor
Capito
Carter
Castle
Chabot
Chocola
Coble
Cole (OK)
Conaway
Cox
Crenshaw
Cubin
Culberson
Cunningham
Davis (KY)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Drake
Dreier
Duncan
Ehlers
Emerson
English (PA)
Everett
Feeney
Fitzpatrick (PA)
Flake
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Green (WI)
Gutknecht
Hall
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hinojosa
Hobson
Hoekstra
Hostettler
Hulshof
Hunter
Hyde
Inglis (SC)
Issa
Istook
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kuhl (NY)
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas
Lungren, Daniel E.
Mack
Manzullo
Marchant
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McKeon
McMorris
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Otter
Oxley
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Porter
Portman
Price (GA)
Pryce (OH)
Putnam
Radanovich
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schwarz (MI)
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (NJ)
Smith (TX)
Sodrel
Souder
Stearns
Sullivan
Sweeney
Tancredo
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NAYS—191

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldwin
Barrow
Bean
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boren
Boswell
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Butterfield
Capps
Cardin
Cardoza
Carnahan
Case
Chandler
Clay
Clyburn
Conyers
Cooper
Costa
Costello
Cramer
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Doyle
Edwards
Emanuel
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank (MA)
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Harman
Hastings (FL)
Herseth
Higgins
Hinchey
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
Kucinich
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren, Zoe
Lowey
Lynch
Maloney
Marshall
Matheson
McCarthy
McCollum (MN)
McDermott
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Melancon
Menendez
Michaud
Miller (NC)
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murtha
Nadler
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Schakowsky
Schiff
Schwartz (PA)
Scott (GA)
Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOT VOTING—15

Capuano
Carson
Cleaver
Ferguson
Foley
Gillmor
Harris
Markey
McGovern
Meeks (NY)
Millender-McDonald
Napolitano
Neal (MA)
Ramstad
Sanders

□ 1545

Mr. BRADY of Pennsylvania, Ms. SCHAKOWSKY and Messrs. BECERRA, CHANDLER, RUPPERSBERGER and TAYLOR of Mississippi changed their vote from ''yea'' to ''nay.''

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated against:

Mr. HINOJOSA. Mr. Speaker, on the previous vote which was rollcall no. 42, I inadvertently voted "yes." I want the record to reflect that I meant to vote "no."

(Ms. PRYCE of Ohio asked and was given permission to speak out of order for 1 minute.)

ANNOUNCEMENT OF THE PASSING OF FORMER COLLEAGUE TILLIE FOWLER

Ms. PRYCE of Ohio. Mr. Speaker, I rise today with great sadness to inform the House that our good friend and our distinguished former colleague from Florida, Tillie Fowler, passed away today at 10:30 a.m. Tillie epitomized the very meaning of class, and she was the Southern lady in this House. She was a rare find, an example to all Members of Congress in her patriotism and her bipartisanship, and to women everywhere in her ability to attain the highest levels of power while always putting her family first. Our prayers are with Tillie's family during this difficult time, and we will all miss her greatly.

Her loved ones should know that Tillie left them, our country, and all who had the good fortune to know her a wonderful and lasting legacy.

And, Mr. Speaker, I yield to the gentleman from Florida (Mr. CRENSHAW) for a further announcement.

Mr. CRENSHAW. Mr. Speaker, I thank the gentlewoman for yielding. Tillie had an awful lot of friends in this Chamber. And for those of you that will not be able to go to Jacksonville for the funeral service on Friday, next Tuesday night we have reserved a time of Special Order to celebrate her life and her service. And so if you would like to be part of that celebration, if you would please contact my office.

Tillie was a remarkable woman. She was a rare combination of passionate drive and dedication coupled with just a warm and caring feeling for all the people around her, and she will be missed by not only her family, but her friends in this Chamber, by the people of Florida, as well as the people of this Nation whom she so proudly served. So I am sure you all join as we send our thoughts and prayers to her husband Buck, and her two daughters in this difficult time.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. SIMPSON). Under the previous order by unanimous consent of earlier today, this next question will be a 5-minute vote.

HUMANITARIAN ASSISTANCE CODE OF CONDUCT ACT OF 2005

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 912.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Jersey (Mr. SMITH) that the House suspend the rules and pass the bill, H.R. 912, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 416, nays 0, answered ''present'' 1, not voting 16, as follows:

[Roll No. 43]

YEAS—416

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Andrews
Baca
Bachus
Baird
Baker
Baldwin
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bass
Bean
Beauprez
Becerra
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehlert
Boehner
Bonilla

Bonner
Bono
Boozman
Boren
Boswell
Boucher
Boustany
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Burton (IN)
Butterfield
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Capps
Cardin
Cardoza
Carnahan
Carter
Case
Castle
Chabot
Chandler
Chocola
Clay
Clyburn
Coble
Cole (OK)
Conaway
Conyers
Cooper
Costa
Costello
Cox
Cramer
Crenshaw
Crowley
Cubin
Cuellar
Culberson
Cummings
Cunningham
Davis (AL)
Davis (CA)
Davis (IL)
Davis (KY)
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Doolittle
Doyle
Drake
Dreier
Duncan
Edwards
Ehlers
Emanuel
Emerson
Engel
English (PA)
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Feeney
Filner
Fitzpatrick (PA)
Flake
Forbes
Ford
Fortenberry
Fossella
Foxx
Frank (MA)
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gingrey
Gohmert
Gonzalez
Goode
Goodlatte
Gordon
Granger
Graves
Green (WI)
Green, Al
Green, Gene
Grijalva
Gutierrez
Gutknecht
Hall
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Higgins
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Holt
Honda
Hooley
Hostettler
Hoyer
Hulshof
Hunter
Hyde
Inglis (SC)
Inslee
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
King (IA)
King (NY)
Kingston
Kirk
Kline
Kolbe
Kucinich
Kuhl (NY)
LaHood
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren, Zoe
Lowey
Lucas
Lungren, Daniel E.
Lynch
Mack
Maloney
Manzullo
Marchant
Marshall
Matheson
McCarthy
McCaul (TX)
McCotter
McCrery
McDermott
McHenry
McHugh
McIntyre
McKeon
McKinney
McMorris
McNulty
Meehan
Meek (FL)
Melancon
Menendez
Mica
Michaud
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy
Murtha
Musgrave
Myrick
Nadler
Neal (MA)
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Paul
Payne
Pearce
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Pomeroy
Porter
Portman
Price (GA)
Price (NC)
Pryce (OH)
Putnam
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reichert
Renzi
Reyes
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Saxton
Schakowsky
Schiff
Schwartz (PA)
Schwarz (MI)
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Sodrel
Solis
Souder
Spratt
Stark
Stearns
Strickland
Stupak
Sullivan
Sweeney
Tancredo
Tanner
Tauscher
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walden (OR)
Walsh
Wamp
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

ANSWERED ''PRESENT''—1

McCollum (MN)

NOT VOTING—16

Allen
Capuano
Carson
Cleaver
Davis (FL)
Ferguson
Foley
Gillmor
Harris
Knollenberg
Markey
McGovern
Meeks (NY)
Millender-McDonald
Napolitano
Sanders

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. SIMPSON) (during the vote). Members are advised 2 minutes remain in this vote.

□ 1557

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. MCGOVERN. Mr. Speaker, I was unavoidably detained during rollcall votes 42 and 43. If I were present, I would have voted ''nay'' on rollcall vote No. 42 and ''yea'' on rollcall vote No. 43.

GENERAL LEAVE

Mr. BOEHNER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 27.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

JOB TRAINING IMPROVEMENT ACT OF 2005

The SPEAKER pro tempore. Pursuant to House Resolution 126 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 27.

□ 1557

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 27) to enhance the workforce investment system of the Nation by strengthening one-stop career centers, providing for more effective governance arrangements, promoting access to a more comprehensive array of employment, training, and related services, establishing a targeted approach to serving youth, and improving performance accountability, and for other purposes, with Mr. TERRY in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Ohio (Mr. BOEHNER) and the gentleman from Michigan (Mr. KILDEE) each will control 30 minutes.

The Chair recognizes the gentleman from Ohio (Mr. BOEHNER).

Mr. BOEHNER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, as we stand here today we continue to see significant progress toward greater economic opportunity and prosperity across the country. More than 2.7 million new jobs have been created over the last 17 months, and the unemployment rate has fallen to 5.2 percent, the lowest level since September 2001. Our economy is strong and it is getting stronger.

The backbone of a strong economy is a well-trained and highly skilled workforce, and it is absolutely critical for workers to have the education and skills necessary to adapt to new opportunities and to move into higher wages.

Federal Reserve Chairman Alan Greenspan agreed with this view when he testified before the Committee on Education and the Workforce last year. The chairman said, ''We need to increase our efforts to ensure that as many of our citizens as possible have the opportunity to capture the benefits of the changing economy. One critical element in creating that opportunity is the provision of rigorous education and ongoing training to all members of our society.''

Chairman Greenspan this morning testified before Congress and talked about the need to do a better job with our education system and better training and retraining of American workers.

The bill before us, the Job Training Improvement Act, would achieve this objective by strengthening the Nation's job training system. In 1998, Congress established a system of one-stop

career centers aimed at providing one convenient central location to offer job training and related employment services. While these reforms have been generally successful, the Workforce Investment Act system is still hampered by bureaucracy and duplication that prevents it from being as effective as it could be for workers and their families.

Our bill includes a number of reforms aimed at strengthening our job training system and better engaging the business community to improve job training services.

Our bill includes a number of reforms. First, requiring State and local workforce investment boards to ensure the job training programs reflect the employment needs in local areas. Secondly, allowing training for currently employed workers so employees can upgrade their skills and avoid layoffs. Third, encouraging the highest caliber providers, including community colleges, to offer training through the one-stop system, and leveraging other public and private resources to increase training and opportunities.

The bill also includes other important reforms. First, it consolidates the three adult WIA training programs, giving States and local communities greater flexibility and enabling more job seekers to be served with no reduction in services.

□ 1600

In addition, it targets 70 percent of the youth grant funds to out-of-school youth, an underserved population that faces significant challenges in finding meaningful employment.

The bill includes a proposal passed by the House last year introduced by the gentleman from Nevada (Mr. PORTER) to create personal reemployment accounts of up to $3,000 to help unemployed Americans purchase job training and other employment-related services, such as child care, transportation services and housing assistance, giving them the flexibility they need in order to gain meaningful employment. In addition, it includes the President's community college proposal to strengthen the partnership between local businesses, community colleges, and the local one-stop delivery system.

Later today, we will consider an amendment from my colleague from Virginia to strip the faith-based provisions from this bill, an amendment that would deny faith-based providers their rights under the historic 1964 Civil Rights Act. When we considered this bill in committee, we twice rejected it on a bipartisan basis, and I urge all Members to vote against it today. The 1964 Civil Rights Act made clear that when faith-based groups hire employees on a religious basis, it can exercise the group's civil rights liberties and not discriminate under Federal law. In 1987, the Supreme Court unanimously upheld this right.

As my colleagues can see from the chart that I have next to me, former President Bill Clinton signed four laws allowing faith-based groups to staff on a religious basis when they receive those Federal funds. Those four laws are the 1996 welfare reform law; the 1998 Community Services Block Grant Act; the 2000 Community Renewal Tax Relief Act; and the 2000 Substance Abuse and Mental Health Services Administration Act, all allowing faith-based providers to preserve their rights under the 1964 Civil Rights Act.

Our Nation's faith-based institutions have a proven track record in meeting the training and counseling needs of our citizens. Why would we want to deny them the opportunity to help in Federal job training efforts? President Bush repeated this call to empower faith-based providers both during his State of the Union address and again yesterday. I can think of no better place to start than to protect the rights of faith-based groups who are willing to lend a helping hand in providing job training and other critical social services to the most needy of our citizens.

I want to thank the gentleman from California (Mr. MCKEON) for his work in putting this bill together, a bill that is supported by a broad and diverse coalition of groups, including the U.S. Chamber of Commerce, the National Association of Counties, the National Association of Workforce Boards, the National Workforce Association, the Coalition to Preserve Religious Freedom and the Salvation Army, amongst others.

We are part of a dynamic economy that is constantly creating new and different types of jobs, so the knowledge and skills of each job seeker is absolutely critical in determining their success or failure. If we are going to help them succeed, then strengthening our job training programs is essential. The bill, I believe, accomplishes that goal.

Unfortunately, the only plan that my colleagues on the other side have put forward to address the needs of American workers is the status quo. Their plan fails to reduce duplication and inefficiency, it fails to give States and local communities more flexibility, and it fails to take advantage of the positive role that faith-based institutions play in our communities and the success they have in providing critical social services to those most in need.

Mr. Chairman, the status quo is no plan at all. I ask my colleagues to support the underlying bill.

Mr. Chairman, I reserve the balance of my time.

Mr. KILDEE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in strong opposition to this bill. This bill is nearly identical to the WIA bill that passed this House last Congress on a near party-line vote. It was a bad bill then, and it remains a bad bill now.

H.R. 27 represents a missed opportunity to ensure that more, not less, job training happens for the millions who are unemployed or looking to upgrade their skills. This legislation fails to increase the amount of actual training services that will be provided to unemployed, dislocated, and underemployed workers. Instead, this legislation focuses on moving around and changing the bureaucratic elements of WIA without focusing on getting more resources to the consumers of these programs.

H.R. 27 is largely the same proposal backed by the administration for the past 2 years. Just a few weeks ago, President Bush spoke to individuals in Omaha, Nebraska. There he met a woman in her late 50s who is a mother of three children. She told him that presently she was working three jobs to ensure she could provide for her family. The President's response was the following, and I quote exactly: ''Uniquely American, isn't it? I mean, that is fantastic that you're doing that.''

What insensitivity. Is this the attitude of this administration when it comes to the challenges of working adults and families? I think this quote from the President speaks for itself. It will go down in history with Marie Antoinette's famous quote: ''Let them eat cake.''

Mr. Chairman, this bill is not going to help this mother of three or the millions of Americans seeking job training. This bill is objectionable for four primary reasons.

First, the bill block-grants the adult worker, dislocated worker, and employment service program. This effectively repeals the Wagner-Peyser Act and the employment service, the national program used to match job seekers with employment opportunities. Termination of the employment service will translate into higher unemployment and less jobs.

The elimination of the employment service and Wagner-Peyser marks another example of the Republican majority terminating a New Deal program. Wagner-Peyser was first enacted in June of 1933 in the first term of President Franklin Delano Roosevelt. It is shameful that we are eliminating a 70-year-old program that has helped so many achieve and maintain work. In my hometown of Flint, Michigan, we had two parts of the unemployment office, one where you applied for the unemployment benefits and the other where you went in and were seeking a job and they would put the unemployed and an employer together. That would be decimated by this bill.

Second, H.R. 27 allows Governors to siphon off resources currently providing veterans, adult learners, and individuals with disabilities with critical

services. Instead of helping vulnerable and needy individuals, these resources would fund infrastructure costs of the one-stop centers. Many of these individuals have nowhere else to turn to receive help, and this bill would exacerbate this problem.

H.R. 27 requires programs which provide these critical services to give up resources, but it also takes away any say over how they are allocated or used. They no longer will have a voice on the local boards. We should not be taking funds from these programs. These lost resources will translate into disruptions and lost opportunities to people who presently rely on these services. We should provide a separate source of funding for these one-stop centers.

Third, the bill allows discrimination in hiring based on religion with WIA funds. The bill turns back the clock on decades of civil rights protections in our job training programs. This is simply wrong. Focus Hope in Detroit, Michigan, is one of the best, if not the best, job training program in the State of Michigan. Focus Hope was run until his death by Father William Cunningham, a classmate of mine in the seminary. He trained thousands of people in inner-city Detroit as a Catholic priest assigned by his bishop there, and he did not care whether those who were training people to run a lathe, to do engineering or whatever it was, he did not care whether they were Catholic, whether they were Protestant, whether they were Morman, Muslim or had no faith at all. All he cared was they knew how to teach what they were teaching. That was a very important and effective program. He did not need to discriminate to carry out his duties. I strongly urge Members to support the Scott amendment today that will be offered later during debate to remedy this major shortcoming in this legislation.

Finally, Mr. Chairman, H.R. 27 creates personal reemployment accounts which voucherize the job training system and cuts individuals off from other training services. The money they do not spend to get a job, they can keep and use for any purpose. Workers do not need a bribe to get back to work. Research on similar schemes have proven that PRAs are not an effective means of providing job training.

Mr. Chairman, this bill does not respond to the needs of underemployed and unemployed individuals. It misses an opportunity to improve our job training system. I urge Members to join me in opposing passage of this legislation.

Mr. Chairman, I reserve the balance of my time.

Mr. BOEHNER. Mr. Chairman, I am pleased to yield 5 minutes to the gentleman from California (Mr. MCKEON), the author of the bill, the chairman of the Subcommittee on 21st Century Competitiveness.

Mr. MCKEON. Mr. Chairman, I rise in strong support of H.R. 27 and thank the gentleman from Ohio for his leadership in bringing this bill to the floor, the Job Training Improvement Act of 2005, which I introduced to strengthen and reauthorize the Nation's job training system as well as adult education and vocational rehabilitation programs. Job training programs must be responsive to the needs of the workforce and improving them is critical. In today's knowledge-based economy, we need to equip Americans with the skills they need to find a new or better job and quickly return to the workforce.

One of the hallmarks of WIA is that in order to encourage the development of comprehensive systems that improve services to both employers and job seekers, local services are provided through a one-stop delivery system. The one-stop centers serve as the front line in helping job seekers return to the workforce. At the one-stop centers, assistance ranges from core services such as job search and placement assistance, access to job listings and an initial assessment of skills and needs, to intensive services such as comprehensive assessments and case management and, if needed, occupational skills training.

Over the last 3 years, I have met with local workforce development leaders, businesses, the administration, researchers, and others to examine how we can improve our Federal job training system. While the Workforce Investment Act of 1998 made dramatic reforms to the Nation's workforce system, I learned that further refinements were necessary to ensure State and local officials have the flexibility they need to effectively target resources toward the unique needs of their communities.

The Job Training Improvement Act builds upon WIA to make it more demand-driven and flexible while reducing unnecessary duplication and inefficiency. H.R. 27 will help strengthen and improve the Nation's locally driven, business-led workforce investment system to help States and localities ensure workers get the training they need to find good jobs.

For example, the bill streamlines the current WIA funding in order to provide more efficient and results-oriented services and programs by combining the adult, dislocated, and employment service funding streams into one funding stream. This will eliminate duplication in service delivery and administrative functions that remain in the system, improving services for individuals.

The bill also ensures the financial contribution of the mandatory partners in the one-stop centers while at the same time it increases the service integration among the partner programs. This will improve access to services through the one-stop delivery system for special populations, such as individuals with disabilities.

In order to ensure greater responsiveness to local area needs and strengthen the private sector's role, the bill simplifies the local and State governance processes. One-stop partner programs will no longer be required to have a seat on the local boards. This will provide for greater representation and influence by local business representatives. Currently, they are frequently frustrated that they are not able to connect with or access resources from the local boards.

Mr. Chairman, I had a couple of my good friends, constituents in my district, that lost their jobs in the defense industry. They came up and thanked me for the help they received from WIA. They were able to get vouchers. One of them went on to become a school teacher, one a worker in the computer industry. This bill works. The new bill that we are passing today will make it better, more efficient and help the people to really get the services they need so we can continue to have the job growth that we have been enjoying the last few months here in the country. I support this strongly.

Mr. KILDEE. Mr. Chairman, I yield 4 minutes to the gentleman from Washington (Mr. MCDERMOTT).

□ 1615

Mr. MCDERMOTT. Mr. Chairman, the question is when is the Congress going to stop letting American businesses and workers down? It is time to roll up our sleeves and chart a path to economic freedom. It is time to govern.

Today the Republicans again ask us to consider a bill with provisions that will make its mark by missing the mark. It inflates government bureaucracy and deflates workers' opportunity. American business needs the best, most qualified workers on earth, but this bill does nothing to reach that goal.

Workers, especially the working poor, need a credible realistic road to economic freedom. This bill is a dead end. Our workforce is in trouble. The ''L.A. Times,'' which I will enter into the RECORD an article from the ''L.A. Times,'' recently reported that the volatility of income for the working poor has doubled in recent years. Income among the working poor now fluctuates by as much as 50 percent annually. One cannot buy a home with a wild fluctuation like that. One cannot plan for their children's college education with income swings like that, and they are lucky to put food on the table.

Mr. Chairman, we need to rethink the systems we have in place to help workers and employers maximize productivity and profitability. We continue to pursue open trade to open our domestic market to foreign competition, but we are not employing the same vigor toward pursuing the means

to ensure that our workforce can compete and be the best trained and equipped in the world. This issue, investing in our workforce, transcends social and economic status.

I represent the 7th District of Washington, Seattle, where the economy is driven by manufacturing as well as by innovation and the service industry. Everyone in these industries is competing for their jobs against someone overseas. Making the proper investments and systems to helping the working poor obtain access to job training and education is even more important.

The so-called Personal Reemployment Accounts compel, compel, unemployed workers to take the first job they can get and forego current job training opportunities. Instead of economic independence, this bill produces economic surrender. We can do better.

We ought to significantly invest in continuing education training programs for people in industries that are challenged by global competition. Furthermore, we ought to seriously consider wage insurance. This would enable the working poor to move into jobs that may begin by paying a little less but have greater opportunities for wage growth and economic stability down the road. This bill, even without the bad provisions such as Personal Reemployment Accounts and the provisions that allow workplace discrimination based on religion, does nothing to meet the new challenges that workers and businesses that rely on them face in the new global economy.

The question again, Mr. Chairman, is when will you tell your chairman to start taking these responsibilities seriously rather than playing politics, as we are here today, putting the same bill before us that we have put here before, we know it is not going anywhere, it is a waste of time, and it does nothing for the workers? This is not even an election year.

[From the Los Angeles Times, Dec. 12, 2004]

THE POOR HAVE MORE THINGS TODAY—INCLUDING WILD INCOME SWINGS

(By Peter G. Gosselin)

''The poor are not like everyone else,'' social critic Michael Harrington wrote in the 1962 bestseller ''The Other America,'' which helped shape President Johnson's War on Poverty.

''They are a different kind of people,'' he declared. ''They think and feel differently; they look upon a different America than the middle class.''

How then to account for Elvira Rojas?

The 36-year-old Salvadoran-born dishwasher and her partner, warehouse worker Jose Maldanado, make barely enough to stay above the official poverty line—$18,810 last year for a family of four. But by working two, sometimes three, jobs between them, they are grabbing at middle-class dreams.

Rojas and Maldanado live in a two-room apartment in Hawthorne but have china settings for 16 tucked in a wooden hutch. Their two young daughters receive health coverage through Medi-Cal but get many of their clothes at Robinsons-May.

The family struggles to meet its monthly bills but has taken on a mountain of credit card debt. They have used plastic to buy a large-screen TV and other luxuries but have also relied on it to cover bare necessities such as rent and emergency-room visits.

''That's why I'm really poor even though I work so hard,'' Rojas said with a rueful laugh.

Some see circumstances like Rojas' as testament to the economic strides that America has made over the last generation, rather than a reflection of its failures.

''We've won the War on Poverty,'' asserted Robert Rector, an influential analyst with the Heritage Foundation, a conservative Washington think tank. ''We've basically eliminated widespread material deprivation.''

But if deprivation is no longer as big a problem, that hardly means all is well. In many ways, Rojas is the new face of the working poor, suffering not so much from a dearth of possessions as from a cavalcade of chaos—pay cuts and eviction notices, car troubles and medical crises—that rattles her finances and nudges her family toward the economic brink.

In this way, Rojas and millions like her are not—as Harrington described them—fundamentally different from most other Americans; they are remarkably similar.

Indeed, today's working poor are experiencing an extreme version of the economic turbulence that is rocking families across the income spectrum. And the cause, no matter people's means, is the same: a quarter-century-long shift of economic risk by business and government onto working families.

Protections that Americans, especially poor ones, once relied on to buffer them from economic setbacks—affordable housing, stable jobs with good benefits, union membership and the backstop of cash welfare—have shriveled or been eliminated. These losses have been only partially offset by an expansion of programs such as the earned-income tax credit for the working poor and publicly provided healthcare.

For the most part, the poor have been left to cope on their own, scrambling from one fragile employment arrangement to the next, doubling up on housing and borrowing heavily.

''Families up and down the income distribution are bearing more economic risk than they did 25 or 30 years ago,'' said Johns Hopkins University economist Robert A. Moffitt. ''But the increase has been especially dramatic among the working poor.''

As a result, their earnings are jumping around like never before.

During the early 1970s, the inflation-adjusted incomes of most families in the bottom fifth of the economy bounced up and down no more than 25% a year. By the beginning of this decade, those annual fluctuations had doubled to as much as 50%, according to statistics generated by the Los Angeles Times in conjunction with Moffitt and researchers at several other major universities.

For a family with an income at the 20th percentile—or roughly $23,000 a year in inflation-adjusted terms—that has meant recent annual swings of as much as $12,000. Twenty-five years ago, those swings tended to be no more than $4,300.

The Times' figures are based on the Panel Study of Income Dynamics, a database funded by the National Science Foundation and run by the University of Michigan. In contrast to most economic indicators, which involve taking random samples of different Americans at different times and comparing the results, the panel study has followed the same 5,000 nationally representative families and their offshoots for nearly 40 years.

In supplementing conventional statistics with the panel-study data, the newspaper has sought to explain why Americans in rising numbers report being less financially secure, even as the nation has grown richer overall.

In a nutshell, The Times has found that behind the upward march of most economic averages are increasingly frequent instances of financial setback and hardship for a large swath of the population. Even those in the top-10 percent bracket—making well over $100,000 a year—have seen their incomes grow more volatile and therefore prone to steep dives.

But for the country's 20 million working-poor families, the findings are particularly sobering: They now run the risk of seeing their incomes slashed by half in any given year. That's almost double the volatility experienced by families in the middle of the economic spectrum, the newspaper's findings show.

''The only way to improve your life if you're poor is to be very prudent and make very, very few mistakes like getting fired or splurging and ending up with a lot of debt,'' said Christopher Jencks, a Harvard University authority on poverty. ''Most people aren't that prudent.''

FINDING A FOOTHOLD

Elvira Rojas headed for the U.S. at age 21 in search of two things that were in short supply in her native EI Salvador: peace and prosperity.

Combatants in that country's bloody civil war engaged in firefights outside her family's home in Acajutla, and Maldanado had received death threats because of his role as a former military man. In addition, Rojas discovered that the only job she could get with her high school diploma from El Instituto Nacional was at the local fish-packing plant.

The pair arrived in L.A. in May 1989. She quickly found work cleaning houses with two of Maldanado's aunts. He landed a job at a Hawthorne dry-cleaning plant. Between them, they made about $200 a week.

But with the average rent on a one-bedroom apartment in the city then running about $600, they could not afford a first foothold in their new country—a place of their own to live. ''I felt bad in the beginning because I had nothing,'' Rojas said. ''I wanted to go home.''

With nowhere else to turn, they moved in with one of Maldanado's aunts, her five children and four cousins in a two-bedroom house on Firmona Avenue in Hawthorne. They slept on the kitchen floor.

As the couple began to make more money, they moved into a succession of other apartments. Each was a little larger than the last but still crammed with relatives.

Rojas and Maldanado had few alternatives. During their first years, they were effectively excluded from Federal rent subsidies or State help because they were illegal immigrants.

In 1991, the two gained legal status under a program that allowed people fleeing war in their homelands to be counted as refugees. But their new standing was thrown into question in 1994, when California voters approved Proposition 187. The initiative was designed to cut off state assistance to undocumented immigrants, but many legal ones interpreted the measure as a blanket ban aimed at them too.

Rojas, for one, took no chances; she never applied for housing assistance—or almost

any other kind of aid—although it appears from her Social Security records and tax returns that she would have qualified. ''I didn't want to be a burden on the government,'' she explained.

It's probably just as well. By the mid-1990s, the state and federal governments were winding down most of a six-decade-long drive to help poor families meet their housing needs. That effort had begun under President Franklin D. Roosevelt, who decried the conditions gripping America. ''I see one-third of a nation ill-housed, ill-clad, ill-nourished,'' he said in 1937.

In the years that followed, a booming private sector largely solved the food and clothing problems. And a combination of financial market innovations and federal power applied through a battery of agencies—the Veterans Administration, the Federal Housing Administration, Fannie Mae and Freddie Mac—greatly expanded home ownership, especially among the middle class. But that still left what to do for poor families, most of whom could afford only to rent.

Washington's first answer was to have the government build and run housing projects. Some worked. But many degenerated into vertical ghettos, victimized by disastrous design, racial and economic segregation, drugs and crime.

In 1974, President Nixon and Congress turned to another solution: the Section 8 program. Instead of putting up buildings itself, the government would subsidize private developers to construct housing and give poor families vouchers to rent apartments in the open market. But developer subsidies produced cost overruns and political scandals in the 1980s and were largely phased out.

That left only the vouchers, which recently have been cut back. In all, the amount of money that Congress and the president have authorized to be spent on housing assistance has plunged by nearly two-thirds in the last 25 years, from an inflation-adjusted $82 billion in 1978 to $29 billion last year.

Washington's latest answer has been more laissez-faire: offer tax breaks for the creation of low-income housing but otherwise leave it to the marketplace to decide how much gets built. In hot housing markets such as Southern California's, little has.

''We've produced tens of thousands of units recently, but the well's been dry for so long we should have been producing hundreds of thousands,'' said Jan Breidenbach, executive director of the Southern California Assn. of Non-Profit Housing, which represents many of the region's developers of low-income housing.

In the absence of substantial government help—and with housing prices soaring beyond the reach of even the middle class—most working-poor families have been left to fend for themselves.

By 1997, Rojas and Maldanado thought they had succeeded in doing that. He was making $5,800 a year at the dry-cleaning plant. She was making more than $12,000 dashing between a part-time job at an airline linen service on Prairie Avenue in Hawthorne and a temporary position with Kelly Services, packing magazines, perfume and shampoo in samplers for direct-market mailings.

In the fall of that year, the couple, with another of Maldanado's aunts and her children, moved into a white stucco bungalow on Burin Avenue in Inglewood, not far from Los Angeles International Airport.

Although the house sagged in the middle and had drainage problems, it featured two kitchens and two living rooms, plenty of space for each family. The place cost Rojas and Maldanado $550 a month. That was more than 30% of their earnings, a level the government considers the outer limit of affordable, but it was still something they could bear.

The bungalow ''felt good because there were not so many of us,'' Rojas said. ''It was the most room I've ever had.'' The following year, the two families celebrated Christmas by stringing sparkling lights along the structure's faded blue eaves and inviting neighbors for a party.

HEADING WEST FOR WORK

Albert Grimes arrived in Los Angeles a few years before Elvira Rojas did, similarly hungry to start over.

He came from Cleveland, where his family was a pillar of the African American community. His father, ''Big Joe'' Grimes, had returned home from World War II and used the GI Bill to buy a house. He opened a barbershop, founded a youth marching band called B.J.'s Raiders and became a kingmaker of sorts in Cleveland politics.

Albert's uncle, Walter Dicks, ran the municipal workers union and helped the younger Grimes find a job right out of high school on a city sanitation truck. It paid about $15,000, equal to about $30,000 in today's dollars.

But Albert was laid off during one of Cleveland's periodic fiscal crises. In 1985, at the age of 29, he left home and headed West. He had no trouble finding work with one of Los Angeles' big employers.

For most of the postwar era, working Americans could count on big business even more than big government to provide safeguards against economic risk. In a reverse of the current passion for temps, outsourcing and lean workforces, corporate America felt it had a civic duty to offer full-time jobs with good wages and solid benefits, even to those like Grimes with no college education.

''Steady, year-round employment is so right from the standpoint of the employer, so right from the standpoint of the workers and so right for the country as a whole . . . that it is hard to see why we manufacturers have not made more progress in its application,'' Procter & Gamble Co. President Richard Deupree told a 1948 audience.

As the decades passed, Los Angeles became the hub of the nation's aerospace industry; a second home to U.S. automakers, after Detroit; and a major financial center. Among the region's largest employers: Lockheed Corp., McDonnell Douglas Corp., General Motors Corp., Goodyear Tire & Rubber Co., First Interstate Bank and Security Pacific Bank.

By the late 1970s, the typical L.A. County workplace had nearly 30% more employees than the U.S. average, according to government statistics—a situation that translated into a high level of economic security.

''There is a close correlation between firm size, employment stability and generous compensation,'' said UCLA economist Sanford Jacoby, who has written extensively about the new risks that working people face. ''Big firms underwrote the creation of America's—and Southern California's—blue-collar middle class.''

As for Grimes, he found his way to Sears, Roebuck & Co.'s massive warehouse at Olympic Boulevard and Soto Street, where he was hired as a merchandise handler represented by the Teamsters. He did well for himself there. His Social Security records show that his income rose steadily—from $12,000 in 1987 to $20,000 in 1990 (or nearly $28,000 in today's terms). On top of that, his health care was covered.

But in 1992, Sears stumbled, the result of a failed strategy to sell everything from socks to stocks. Grimes, then on leave with a bad back, soon found himself out of a job.

It was a particularly bad time to be without work. The combination of recession and steep cuts in defense spending, brought on by the end of the Cold War, walloped Southern California. Unremitting pressure from low-cost foreign producers and wage competition from new immigrants such as Rojas took a severe toll on unskilled workers like Grimes.

Any chance that he would be rehired by Sears soon evaporated when the company's warehouse and adjacent store were damaged in the L.A. riots. The warehouse was eventually shuttered.

By the time the region bounced back, the nature of employment had changed. Gone were many of the corporate giants that had delivered a generation of blue-collar security. In their place were tens of thousands of relatively small employers whose job-generating capacity is now regularly praised by the nation's leaders but whose instability, often-low wages and meager benefits are less remarked upon.

Government figures show that the average size of a workplace shrank by 18% nationally between its late–1970s peak and last year. The slide was even steeper in L.A. County, with the average size of a workplace plunging 50% to 10 workers. This trend, according to Jacoby, ''is one of the most important and least appreciated reasons why so many people are having a tough time making a go of it today.''

For several years, Grimes all but vanished from the regular economy. He, his chronically ill girlfriend and the couple's young son lived off a mix of workers' compensation, disability payments and her welfare checks.

In 1995, he resurfaced, this time as a security guard and—befitting the U.S. economy's free-market transformation—a self-employed entrepreneur. ''I set myself up as a corporation,'' he said proudly.

With the help of a friend, Grimes persuaded a string of businesses in a run-down neighborhood along Bixel Street near downtown to hire him.

For three years, he watched over a dental office, a parking garage, a liquor store and a methadone clinic. His earnings climbed from $5,600 when he launched his venture to more than $27,000 two years later. He bought himself a used Pontiac Grand Am, a washer and dryer and a Rent-A-Center living room set.

Then in 1998, he found out how risky the life of an entrepreneur can be: The city bought up the properties along Bixel Street to make way for the Staples Center.

The businesses that employed Grimes closed. Demolition crews flattened the buildings and, along with them, Grimes' income. His earnings that year went clear to zero.

HIGH HOPES

As Grimes' world caved in on him once more, Rojas' prospects were looking up.

She was still shuttling between her jobs at the airline laundry service and as a packer of sundries when one of Maldanado's cousins told her that the dishwashing department at the Wyndham Hotel on Century Boulevard near LAX was hiring for the 4-to-midnight shift.

The full-time position paid more than $7 an hour and, because the workers were represented by Hotel Employees and Restaurant Employees Local 814, it came with holidays and family health insurance. The latter would prove particularly important when

Rojas suffered a miscarriage in 2001, and her health plan picked up the tab for more than $5,000.

Rojas saw the job as a turning point. Until then, virtually everything she had in her life had belonged to her in-laws. ''If we used dishes,'' she remembered, ''they were theirs. If we watched TV, it was theirs.''

But all that would change when she went to the Wyndham. ''I knew at that point I would have my own things,'' she said.

By 1998, as Rojas and Maldanado's income more than doubled to $26,000 ($30,500 in today's dollars), the couple began assembling the pieces of a middle-class life.

Rojas bought china by Royal Prestige. She purchased a hutch from Levitz Furniture in which to display the dishes. She and Maldanado acquired a couch, a bed and a dining table. They shelled out for two large-screen TVs and signed up for satellite-dish service.

They bought a 1987 Plymouth Sundance to go with their aging blue Toyota Camry. And they traveled.

''We would go to Las Vegas and Disneyland,'' Maldanado recalled. ''We had more money to spend.''

When the first of the couple's two daughters was born the following year, Rojas was so eager for her to be part of the fabric of America that she resisted entreaties to name her Maria after five of Maldanado's aunts, and instead gave her the name Katherine. She would make a similar choice when their second child was born last May, rejecting Maldanado's suggestion of Elvira in favor of Melane.

The new job let Rojas dream about owning a house where, she said, ''my daughters can have their own rooms'' and ''maybe one day I can take care of my grandchildren if I have some.''

Meanwhile, any thought of returning to Central America faded away. ''Here,'' said Rojas, ''my family will go a lot farther than in El Salvador.''

In the summer of 2000, the Wyndham's owners announced that they were closing the hotel for renovations. Rojas remembers hearing ominous rumblings that more would change than the color of the lobby—something about the parking attendants' jobs being contracted out.

But she was not worried. To tide her over during the shutdown, Local 814 had steered her to a job at a unionized Burger King at LAX. The fast-food outlet offered a wage-and-benefit package almost as good as what she was making at the Wyndham.

About a year after it had closed, the hotel on Century Boulevard reopened. Only now, the sign outside read ''Radisson.'' The Wyndham name wasn't the only thing that was gone either. So too was the union—part of a broader trend sweeping corporate America for more than two decades. Unions, which represented 17 percent of the nation's private-sector workforce in the early 1980s, counted only 8 percent as members by last year.

Rojas could have her dishwashing job back. But instead of $8.89 an hour, her top wage at the Wyndham, she said, she'd be pulling down only $7.50 at the Radisson, with no employer-paid family health insurance. She signed on anyway and, to make ends meet, kept her job at Burger King as well.

It was hard running between two jobs again, but the family's income finally seemed to be stabilizing. As it turned out, their financial roller-coaster ride had only just begun.

SHRINKING WELFARE

For the poor, the most dramatic of all the safety-net cuts that the government has engineered in the last 25 years came in 1996.

That's when a Republican-controlled Congress passed and President Clinton signed the Personal Responsibility and Work Opportunity Reconciliation Act, overhauling the nation's cash welfare system.

The law sought to push people off the dole and into work. In doing so, it essentially reversed the poverty-fighting strategy that Washington had pursued since the 1960s in which poor Americans were promised a certain minimal standard of living. By last year, the law had reduced the nation's welfare rolls by 3 million families, or one-half, and had sliced inflation—adjusted welfare spending by about $10 billion, or one-third.

These numbers, though, are about all the experts can agree on. Advocates have hailed the measure as a spectacular success, saying it has increased the incomes of many poor people while triggering a steep drop in poverty among black children. Critics have denounced it as a failure, saying that many people are poorer today than they were before the law was changed.

For its part, Grimes' household has remained largely unaffected by the law's ''work first'' requirements. That's because California has maintained relatively generous benefits and because Grimes' domestic partner, Jacqueline Harvey, has a chronic intestinal disease and is exempt from work requirements. She has thus continued to collect benefits off and on from the state's cash welfare program, CalWORKs. She now receives $583 a month.

But Grimes, in the meantime, has been staggered by another, lesser-known element of the 1996 act—a significant toughening of child-support enforcement rules. This part of the law built on other efforts undertaken since the 1970s to go after absentee parents and compel them to help finance their kids' upbringings.

Grimes and Harvey's son, Albert Jr., was born in 1988. Nine years later, when the elder Grimes applied for custody of a nephew, the Los Angeles County district attorney's office sued him for child support for Albert Jr. The D.A. took action even though Grimes, Harvey and their son had always lived together and, they and several relatives say, Grimes always helped raise the boy.

Nonetheless, Grimes declined to challenge the county, which won a court judgment against him. Grimes said he thought that he had to go along with the support order to obtain custody of his nephew and to ensure that Harvey would continue receiving publicly funded healthcare. It's also unclear whether counting Grimes as a parent in the house would have jeopardized the size of Harvey's welfare checks.

Whether a mix-up or not, the effect on Grimes' finances has been devastating. California courts not only have imposed high monthly support payments—often unrelated to a parent's ability to comply—but also have added interest at a 10 percent annual clip to past-due amounts.

A recent study commissioned by the state found that past-due child-support payments in California have soared to almost $17 billion from $2.5 billion in the last decade. Most of that money, moreover, is earmarked for state coffers—not for the children who need support.

''The system was largely about welfare-cost recovery, not helping families,'' said Curtis L. Child, who stepped down recently as head of the state Department of Child Support Services, which was created in 2000 to remove enforcement power from county district attorneys and restructure the system. ''In imposing these huge judgments on fathers, we're confronting these men with an awful choice: Go underground, which is just what child-support enforcement was intended to stop, or let themselves be financially ruined.''

In August 1997, Grimes was ordered to start sending the county $173 a month in current payments, plus an additional amount for past-due support totaling $4,900. When he fell behind after his Bixel Street business collapsed in 1998, the past-due total began to swell. It now tops $8,000.

PLASTIC SAFETY NET

In one great clap, the 9/11 terrorists brought down the twin towers in New York, shattered Americans' sense of security and shoved Elvira Rojas down the economic ladder.

It took her five days to reach Burger King after the police and military sealed off the airport in the wake of the September 2001 attacks. When she finally was allowed in, Rojas found that her manager had cut her shift to just four hours. Within a couple of weeks, she was laid off.

Things were little better at the nearly deserted Radisson. Rojas' hours there were reduced to practically nothing.

Over the next 15 months, Rojas grabbed whatever hours she could get at the hotel and worked a second job ironing clothes at Hermosa Cleaners in Hermosa Beach. It was a tough schedule even before she got pregnant in 2002. And still it was not enough to keep her family's income from sliding almost 20% from its 1998 high to less than $22,000.

So she and Maldanado turned to what has become one of the few reliable safety nets left for many poor Americans: their credit cards.

In May 2002, Rojas was rushed to the emergency room at Robert F. Kennedy Medical Center in Hawthorne, where she suffered a second miscarriage. This time, with only minimal health insurance from the hotel, she said she had to put $2,000 of her $4,000 medical bill onto her MasterCard.

''I didn't have the money otherwise,'' she said.

As the credit card industry emerged in the late 1950s and '60s, some expressed concern that even well-provisioned middle-class families would be unable to resist the lure of instant credit. Betty Furness, President Johnson's consumer affairs advisor, warned that credit cards were ''modern traps'' that would turn Americans into ''hopeless addicts.''

But over the last 25 years, card issuers have not let up in pushing their products. Instead, they have reached out for ever more low-income households.

Federal Reserve figures show that among families in the bottom fifth of the economy, the percentage of households with credit cards has soared from 11% in the late 1970s to almost 40%. Their average balance on those cards has climbed, in inflation-adjusted terms, from about $825 to more than $2,000.

Some analysts applaud the greater availability of credit. Gregory Elliehausen, of the Credit Research Center at Georgetown University, said the spread of cards and other kinds of lending was part of a sweeping ''democratization of finance'' that has allowed poor families to operate more efficiently by, for example, buying decent cars to get to work.

Economists Dirk Krueger of the University of Pennsylvania and Fabrizio Perri, a New

York University professor now on sabbatical at the Federal Reserve Bank of Minneapolis, say families of all incomes increasingly rely on loans, rather than on business and government safety nets, in times of trouble. They borrow their way through the bad patches and pay off their debts in flush periods.

The problem comes when there are no flush periods.

Some of the items purchased on Rojas' and Maldanado's credit cards can seem frivolous or extravagant—the TVs, for example, or a $150 set of sepia-toned studio photographs of Katherine and her mom dressed in feather boas and gowns. But most of the charges appear to fit the definition of safety-net spending.

Beyond the emergency room charge, there was $130 for a new fuel pump for Rojas' Toyota and $170 to repair the power steering. There was $300 at the start of September to cover rent and a $1,000 cash advance that Rojas said went to help a brother bring his wife to the U.S. from El Salvador.

Chipping away at what's due on their cards is virtually impossible. That's in large part because the interest the two are charged is about double what a typical middle-class borrower faces. By the time they cover that, there is little left to reduce the balance.

Although the stated interest on the couple's most heavily used cards, a pair of Direct Merchants Bank MasterCards, ranges from 20.49% to 31.99%, a review of recent bills indicates that they are consistently charged close to the higher amount. (The Minnetonka, Minn., bank recently was ordered by federal regulators to pay $3.2 million in penalties for ''downselling''—offering low pre-approved rates and then moving customers to higher-rate accounts without fully disclosing the switch. It is not clear that this happened to Rojas and Maldanado.)

Rojas and Maldanado now owe $14,592 on their four credit cards—a burden that financial experts say is appropriate for a household making about $100,000, but not one like theirs.

FALLING BEHIND

In the spring of 2000, two years after Grimes' Bixel Street business failed, he found a job as a security guard five blocks away at Ernst & Young Plaza.

For a while after the September 2001 terrorist attacks, the building's owners and tenants treated Grimes and his co-workers with newfound respect. Managers listened to his suggestions about how to improve safety at the 41–story structure.

He was promoted to ''lobby ambassador,'' a sort of informal emissary to the building, and then to lobby supervisor. His annual earnings climbed back above $20,000, and he began to imagine himself becoming a director of security.

''My goal was to have a facility of my own,'' Grimes said. ''I thought I should have a situation where I'm in control.''

But for most of the last year, Grimes has been anything but in control.

In February, after a dispute with their landlord, he and his family were evicted from their apartment on Fedora Street, where they had lived for several years. All that he was able to save from the place were three mattresses, two chairs and a Sony PlayStation.

By April, he had run through several thousand dollars paying for a $90-a-night motel room while he looked for a new apartment. He and Harvey eventually rented a two-room Hollywood walk-up for $875 a month, or more than 40% of their combined income. Before long, he fell behind again on his court-ordered child-support payments.

In July, things took another turn for the worse. After a series of clashes with his boss, Grimes was ordered out of the Ernst & Young tower and told he would be reassigned. Instead, he quit. For the time being, he is working for the Service Employees International Union on a campaign to organize security guards in the city's high-rise offices.

Grimes is determined to recover from the latest round of reverses. He dreams about what his father had—a house, a secure job—and is convinced he'll fare as well someday. ''I'm trying,'' Grimes said, ''to get back to what he had.''

ANOTHER EVICTION

A month after Grimes was forced out of the Ernst & Young tower, Rojas and her family were evicted from the Burin Avenue bungalow where they had lived for seven years. A developer is preparing to raze the place and put in half-million-dollar townhouses.

It's not clear how long they could have afforded to stay there anyway. A week before they moved, Maldanado was laid off from the dry-cleaning plant to make way, he said, for new immigrants who were willing to work for less. He has since gotten a new job, packing items at a warehouse, for minimum wage.

The family's new apartment is so small that the bedroom is a single mass of mattresses and cribs. The hutch and couches fill the living room to overflowing. And the cabinets in the kitchenette are so stuffed that Rojas must store her supply of infant formula in her car trunk.

But the couple has plans—to turn around the slide in their income, to look for a house, to make sure that the girls continue all the way through school. ''I don't want them to be struggling like us,'' Maldanado said.

Rojas is making other plans as well. Soon after arriving in the U.S., she took out a loan to finance her future at the Inglewood Park Cemetery. She now owns two plots at the cemetery's Mausoleum of the Golden West, and recently signed papers to pay $82.79 a month for the next five years to buy two more. By the time Rojas is finished, she will have spent more than $12,000 in total. But she's convinced it's worth it.

''Now if I die, I won't have to worry about my funeral,'' she said. ''I won't leave my family with a financial burden.''

The Source of the Statistics and How They Were Analyzed

The Times used the Panel Study of Income Dynamics for its analysis of family income volatility.

The panel study has followed a nationally representative sample of about 5,000 families and their offshoots for nearly 40 years and is the most comprehensive publicly available income and earnings database in the world. It is run by the University of Michigan and principally underwritten by the National Science Foundation. The families' identities are kept confidential.

The Times employed techniques for gauging income volatility that were developed by economists Robert A. Moffitt of Johns Hopkins University and Peter Gottschalk of Boston College. The Times also consulted with Yale University political scientist Jacob S. Hacker, who has conducted his own analysis of income volatility among households in the panel study and has published results linking it to economic risk.

The Times employed two Johns Hopkins graduate students, Xiaoguo Hu and Anubha Dhasmana, to help generate the data. Moffitt guided them and advised the newspaper.

The Times' analysis looked at five-year increments from 1970 to 2000 and examined the annual fluctuations in each family's income.

For example, for a family whose income rose by $5,000 over a five-year span, the paper examined the journey from the lower number to the higher: Did the change occur in steady $1,000 annual increases? Or did the family's income take a big jump in one year and plunge in another?

The Times' basic finding is that the fluctuations in annual income that individual families have experienced have grown larger over the last three decades.

Based on the panel-study sample, The Times estimated the annual income swings, up or down, for 68% of all U.S. families—those who did not have the most extreme fluctuations. As a result, the newspaper's conclusions don't rest on cases outside the mainstream: the movie star whose career dries up overnight, say, or the hourly worker who wins the lottery.

To zero in on working families, The Times focused on men and women 25 to 64 years old whose households had some income. To analyze the working poor, the paper ranked families by their average income during each five-year period. It then concentrated on those in the bottom one-fifth of income earners and especially those right at the 20th percentile.

The average annual income of panel-study families at the 20th percentile is close to the government's official poverty line for a family of four most years.

The analysis looked at pretax income of all family members from all sources, including workplace earnings; investments; public transfers such as jobless benefits, food stamps and cash welfare; and private transfers such as inheritances.

All amounts were adjusted for inflation, expressed in 2003 dollars.

Mr. MCKEON. Mr. Chairman, I yield 2½ minutes to the gentleman from Nebraska (Mr. OSBORNE), a member of the committee.

Mr. OSBORNE. Mr. Chairman, I would like to particularly thank the gentleman from Ohio (Chairman BOEHNER) and the gentleman from California (Mr. MCKEON), subcommittee chairman, for this bill.

From my perspective this is a good bill. And I think there are several points I would like to make. First of all, it consolidates programs and creates efficiencies. It gives State and local officials more flexibility, which is always important. And the $3,000 reemployment accounts to purchase needed services to ensure reemployment seem to me to be a good idea because oftentimes when a person is trying to get back on their feet, they need to have money to pay for child care. They need transportation. It allows them to get reestablished, and we think this is certainly very helpful. And then it also allows faith-based organizations to offer job training service. We think this is important.

I would like to amplify on that just a little bit. Number one, faith-based organizations often provide services more efficiently than State or Federal agencies. The Salvation Army, Catholic Charities, Jewish Federation are all extremely efficient and they are very cost effective.

Secondly, faith-based organizations often go where others will not go or do not go. In inner cities, and sometimes our rural areas, we find that they are very effective. Faith-based organizations are by law allowed to hire employees to provide services which conform to the mission of the faith-based organization. This right was affirmed by the 1964 Civil Rights Act and the 1987 Supreme Court decision, Corporation of the Presiding Bishop versus Amos. So we think there is ample legal justification for this.

Number four, faith-based organization employees must often wear many hats. For instance, a music director at a church may also work at the job training center in the afternoon. A Sunday school superintendent may also run a Head Start program at the faith-based organization. So it is unreasonable and contrary to establish law to force faith-based organizations to hire employees who do not share the faith-based organization's mission. We think this makes perfect sense.

This is a good bill and I urge support for it.

Mr. KILDEE. Mr. Chairman, I yield 3 minutes to the gentleman from New Jersey (Mr. ANDREWS).

Mr. ANDREWS. Mr. Chairman, I thank the gentleman from Michigan for yielding me this time.

I am opposed to this bill because it reflects a misunderstanding of the proper way to build a successful career and a gross misinterpretation of our constitutional tradition.

With respect to its misunderstanding of the best way to build a career, I think that these personal retraining accounts, although clearly well intentioned, have exactly the wrong effect on an unemployed person. The purpose of workforce investment is not to move a person from a position of unemployment to a position of employment for a while. The purpose of the workforce investment is to move a person from dependency to opportunity and eventually to prosperity. The great dividing line in the American economy is whether one has 2 years of college or not. People with more than 2 years of college tend to have stable jobs and high and rising incomes. This bill says to a person who is laid off from an industrial industry or some other employer like that take the first job that comes along.

As the gentleman from Washington (Mr. MCDERMOTT) said, they are virtually compelled to do that. The first job is not always the best job. But, more importantly, from the public's point of view, it may be a temporary job. It will move the person from a period of unemployment to a brief period of reemployment to another period of unemployment. Our goal should not be temporary employment. Our goal should be opportunity and prosperity in the long run.

With respect to the constitutional misinterpretation, the gentleman from Virginia (Mr. SCOTT) will offer an amendment later in this debate that needs to be adopted. We are not opposed to faith-based organizations continuing the work they are presently doing in job training. They do a great job and they should continue. If the gentleman from Virginia's (Mr. SCOTT) amendment passes, that work will not be discontinued. If the gentleman from Virginia's (Mr. SCOTT) amendment passes, here is what will happen: We think that with Federal money a religious organization should not be able to say we will not hire Catholics to serve meals at a clinic. We think with Federal money, an organization should not be able to say we do not hire Jews to do job training. We think with Federal money, people should not be able to say we do not want evangelical Christians or Muslims or Buddhists doing job counseling.

This country started because we wanted to get away from religious persecution and discrimination. It is an abrogation of our constitutional traditions to enshrine that in the law, and that is what this bill does. The gentleman from Virginia's (Mr. SCOTT) amendment corrects that mistake and it should be adopted.

Mr. MCKEON. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio (Mr. REGULA).

Mr. REGULA. Mr. Chairman, I rise in strong support of H.R. 27, the Job Training Improvement Act of 2005. I would like to recognize the gentleman from Ohio (Mr. BOEHNER) and the gentleman from California (Mr. MCKEON) for their leadership and tireless efforts in bringing this bill to the House floor.

Hard-working families in my district who have been laid off rely on programs like the One-Stop workforce development system, which helps States and communities ensure workers to get the training they need to find good jobs. I like to call the One-Stops ''hope centers'' because they provide hope to people seeking gainful employment.

For example, my constituent, Jeff Ring, who after 24 years of employment as a steelworker, was laid off. He is a father of three children, eight and younger. He came to the One-Stop and enrolled in training to become a registered nurse. Just last week he received his certification and will begin working at Aultman Hospital and will be making nearly 20 percent more than his previous salary.

In another case, my constituent, Tiffany Birtalan, a single mother raising a teenager, she currently works as a waitress making $2.13 an hour plus tips. She came to the local One-Stop seeking to change careers. Tiffany is now enrolled at a community college and is training to be a dental hygienist. Based on current labor market information and the high demand for this occupation, she will easily make $25 to $30 per hour.

Every day, every day, hard-working people like Jeff and Tiffany walk through the doors of One-Stop across the country seeking assistance. We must do all we can to streamline unnecessary bureaucracy and strengthen allocations so that adequate resources are available to them achieve their hopes and dreams.

Mr. Chairman, this is a good bill, and I would urge my colleagues to support H.R. 27.

Mr. KILDEE. Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. HINOJOSA).

Mr. HINOJOSA. Mr. Chairman, I rise to engage the gentleman from Ohio (Chairman BOEHNER) of the Committee on Education and the Workforce in a colloquy.

During our full committee consideration of H.R. 27, I offered and withdrew an amendment to ensure that data on high school-aged students participating in adult education programs is publicly available and reported to our committee.

We already know that 30 percent of our high school students fail to earn diplomas with their peers. In the Hispanic community, that figure is nearly 50 percent. Many of our adult education providers report that high school-aged students are flooding their programs. We cannot continue to allow our high school students to slip through the cracks. Our first step in shining the light on this issue is to make sure that we have accurate and regularly reported data.

At full committee, the gentleman offered to work with me to ensure that these concerns are addressed in the reports that our committee received from the Department of Education.

Mr. BOEHNER. Mr. Chairman, will the gentleman yield?

Mr. HINOJOSA. I yield to the gentleman from Ohio.

Mr. BOEHNER. Mr. Chairman, I want to thank the gentleman from Texas for raising this issue. Data on young adults participating in adult education programs is important information for our committee as well as for the adult education programs and for school districts to keep in mind as we work to raise our high school completion rates. And it is my understanding that this is information that the Department already collects but has not been a focus in program reporting.

Mr. HINOJOSA. Mr. Chairman, reclaiming my time, the chairman is correct. The Department already collects this data and would be able to highlight this information in its annual report to Congress with very little additional work. It is simply a matter of clearly communicating to the Department that we would like to see focused information on high school-aged students in adult education reported by

race, ethnicity, language proficiency, and program enrollment.

I thank the chairman for continuing to work with me and the Department to bring this critical information to the forefront.

Mr. BOEHNER. Mr. Chairman, will the gentleman yield?

Mr. HINOJOSA. I yield to the gentleman from Ohio.

Mr. BOEHNER. Mr. Chairman, again I want to thank the gentleman for his work on this issue. I will continue to work with him and the Department to ensure that we have the necessary information to carefully monitor the participation of high school-aged students in adult education programs.

Mr. HINOJOSA. Mr. Chairman, reclaiming my time, I thank the gentleman from Ohio (Chairman BOEHNER) for his comments.

Mr. MCKEON. Mr. Chairman, I yield 3 minutes to the gentleman from Nevada (Mr. PORTER), a member of the committee, vice chairman of the subcommittee.

Mr. PORTER. Mr. Chairman, I rise today in strong support of H.R. 27, the Job Training Improvement Act of 2005, and I certainly applaud the gentleman from California (Chairman MCKEON) and the gentleman from Ohio (Chairman BOEHNER) for their tireless efforts in bringing this important legislation to the floor today.

□ 1630

As an original cosponsor of this legislation, there are many provisions that will increase the ability of our Nation's workers to achieve greater stability in our ever-changing workforce. I would like to mention one aspect of the bill which I am particularly proud of, the inclusion of Personal Reemployment Accounts as an allowable usage of funds under the pilot and demonstration projects of the Greater Workforce Investment Act.

PRAs will provide American workers who are seeking employment added flexibility to seek the customized training and support services that they need and deserve to expand their career opportunities. As my community of southern Nevada experienced in the wake of September 11, our economy proved to be very vulnerable. As my community rebounded from this blow, Nevadans sought help in adjusting to the realities of the workforce. Those Nevadans who suffered the woes of unemployment sought additional training and support as they sought to increase their career opportunities.

Mr. Chairman, I know that PRAs would have provided my constituents with a valuable option in seeking these services. In fact, many constituents have told me they are excited to have this opportunity in case there is another emergency at some point in time. In fact, one young girl, Lucy, wanted to make sure that there was ample education dollars available; and I assured her there would be.

Besides providing for an individualized approach to reemployment, the PRAs provide an added bonus. Individuals are able to retain the remainder of their account after they return to the workforce. These funds can be used for continued training and support.

As Americans return to work, they continue to face hardships until the benefits of employment become manifest. PRAs can help ease this transition.

Mr. Chairman, I will include for the RECORD a letter from Deputy Secretary of Labor Steven Law demonstrating the administration's continued support of the PRA program.

Mr. Chairman, I urge all of my colleagues to support this important legislation. As our workforce continues to engage the ever-changing economy which we are part of, this reauthorization will provide American workers with the tools they need and deserve to improve their career opportunities. I recommend final passage of the Job Training Improvement Act of 2005.

Mr. Chairman, I include for the RECORD the letter referred to earlier from Steven J. Law, Deputy Secretary of Labor.

DEPARTMENT OF LABOR,
DEPUTY SECRETARY OF LABOR,
Washington, DC, March 2, 2005.

Hon. JON PORTER,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN PORTER: I would like to thank you for your invaluable and effective advocacy of Personal Reemployment Accounts (PRAs). Like you we believe that PRAs will provide thousands of Americans seeking reemployment with a new and more flexible means to seek customized training that leads quickly to expanded career opportunities.

We are enthusiastic about the launch of PRA demonstration projects in seven states. We are confident that this important pilot program will prove the value of PRAs and, with enactment of your legislation, even more Americans will have access to PRAs.

We look forward to working with you, Chairman BOEHNER, and Chairman MCKEON on this innovative plan to help workers in transition. Thank you again for your leadership on this initiative.

Sincerely,

STEVEN J. LAW.

Mr. KILDEE. Mr. Chairman, I yield 4 minutes to the gentlewoman from Washington, D.C. (Ms. NORTON).

Ms. NORTON. Mr. Chairman, I very much appreciate the gentleman yielding me this time.

Mr. Chairman, there are many problems with this bill. I choose to focus on the Scott amendment because it involves a matter in what I think I can safely say is my personal confidence.

I have heard title VII of the 1964 Civil Rights Act called out here repeatedly. It was my great privilege to enforce title VII of the 1964 Civil Rights Act as Chair of the Equal Employment Opportunity Commission, and I have an obligation to step forward to plead with my friends on the other side to make this a bipartisan bill, because its chances of becoming so at least on this matter should be great.

In fact, it is such a good idea to have faith-based organizations involved in the programs of the Federal Government that we have been doing it for decades with billions of dollars to show for it. There may be some ways, I will be the first to say, there are some ways in which this could be strengthened and expanded. But I do not know whose idea it was to allow religious organizations to discriminate. I do not think it could possibly have been the idea of the faith-based communities themselves. I do not believe that churches and synagogues and mosques are stepping forward to say, Even though we have an extraordinary ability to hire only our own folks, we want to make sure we use public dollars to hire only our coreligious partners.

If the language is kept as it is, we will have the first nullification, the first repeal, of civil rights laws since they were initially passed 40 years ago. To our credit, we have steadily built those laws into legislation that came after it, and, yes, into the Workforce Investment Act. We are required to do that. Title VI requires us to do that, the 14th amendment requires us to do that. It required us to do so when the Workforce Investment Act was passed, and it requires us to do so now.

Essentially what the bill states now is that you can hire only Lutherans or Muslims with your own money, and you can hire only Catholics and Jews with the people's money. That is a huge departure from everything that is built into title VII.

I was Chair of the agency and brought forward religious discrimination guidelines. We worked very hard to strengthen the law against religious discrimination and went the extra mile because of the free exercise clause. Thus, today religious organizations, a church or synagogue, for example, can do what no union or business can do. It cannot only use its money to hire its religious members in religious positions; it can use its own money to hire even their own members in secular positions. This is the maximum in religious freedom that is allowed under the Constitution.

Now, if you want to take on public responsibilities, I cannot understand why anybody would say you would not want to spend that money in accordance with the public responsibility in each and every respect. That is how it has always been done. Why the departure now?

If you want public dollars, do so in accordance with public law. That law requires no discrimination on the basis of race, sex, or religion. It would be a horrible setback to now come forward and say that you can in fact discriminate on the basis of religion, of all

things. And that is what you would be doing, because, as everybody knows, race and religious identity track one another very, very closely.

Today, when black people go to Catholic Charities or to Lutheran Services they see people of every race and color working there. And do you know what? I have not heard these organizations and the many other faith-based organizations complain that in order to serve my African American community, they sometimes reach out and find black people who are not Catholic and who are not Lutheran, because they do not ask what they are.

We have resisted pressures in this House for repeal of affirmative action, for repeal of goals. Surely we can resist the role back to the bad old days of religious discrimination and a violation of title VII of the 1964 Civil Rights Act.

Mr. MCKEON. Mr. Chairman, I am happy to yield 3 minutes to the gentleman from Georgia (Mr. PRICE), a new member of the committee.

Mr. PRICE of Georgia. Mr. Chairman, I thank the chairman and the gentleman from California for allowing me to participate in this debate.

Mr. Chairman, I am somewhat perplexed and disappointed by the tactics from the other side. This is serious business, and simply working to divide our citizens I believe to be counterproductive.

This bill, this bill, will enhance employment; it will increase employment and job retention, plus increase the overall skill level of our labor force. Now, the demagoguery that you hear from the other side on this issue, and, frankly, on every issue, seemingly every issue, frankly is a disservice to this debate and does a disservice to our Nation.

This bill gets more resources to the individual needing it. That is a good thing.

These are very challenging times for many in our workforce. They need more options for assistance, not a one-size-fits-all model or program. Streamlining the one-stop career center system is easier for the client. That is a good thing. It does not harm the Wagner-Peyser money. There are no lost resources.

Greater flexibility in the delivery of core, intensive, and training services allows individuals to receive the most appropriate services specifically for them. That is a good thing. Providing Personal Reemployment Accounts allows those who are unemployed an opportunity to use money for those things that are often that final hurdle to getting a new job, child care, transportation, housing assistance. That is a good thing. Getting more resources to those most in need when they are out of school helps those without other opportunities, and that is a good thing.

Faith-based language in this bill is identical, identical, to four separate pieces of legislation passed during the Clinton administration. There is no discrimination on the provision of services.

With this legislation, we are actively and positively addressing how the Federal Government, and ultimately how each and every citizen, will come together and lend a helping hand to those needing that assistance at a very pivotal time. That is a good thing.

Mr. Chairman, I urge my colleagues to support this bill and move forward in helping those needing to return to the workforce. This is a good thing.

Mr. KILDEE. Mr. Chairman, I yield 3 minutes to the gentlewoman from California (Ms. WOOLSEY).

Ms. WOOLSEY. Mr. Chairman, once again my colleagues on the other side of the aisle are claiming they want to help workers in this Nation. But, as usual, their actions say otherwise.

The newest WIA proposal does nothing more than force workers to compete with each other for services that they have come to expect and services they deserve from the WIA system. WIA one-stops provide important job training services to help those struggling to find work to get resources they need.

If this bill passes, veterans and unemployed adults will be placed second to infrastructure costs. Instead of increasing funding in the bill to address infrastructure needs separately, this bill forces Governors to choose between workers and updating facilities, all from the same pot of money. Limiting this pool of funding will deny workers quality services for reemployment and adult education programs, and that is just plain and simple true.

This bill also sets up a voucher system that will actually decrease the amount of services available to job seekers. Those receiving these new job vouchers will be able to pay for training courses or other job-searching expenses. That sounds great. But the catch is that once a worker takes a voucher, they will lose access to Federal job training programs through WIA for an entire year. Money and services are both critical for many workers to get back on track, particularly when they have become unemployed over and over again, and workers who should not have to make the choice between one or the other are continually faced with the dilemma.

This bill also changes the way in which the government will evaluate the success of WIA programs. Now workers will be judged on how they serve the company they work for rather than on the quality of services they received under WIA. Since when was WIA focused on big business' needs rather than the worker's needs?

The worst part of this bill, however, is that it will write discrimination into the law. At religious institutions receiving WIA funds, those who share the same religious philosophies will have an advantage over those applying for employment that do not subscribe to the same views. Workers can now lose job opportunities through blatant religious discrimination at places our tax dollars are funding. This bill turns WIA into a competitive service provider, rather than an equal opportunity resource for our Nation's unemployed workers.

This is not the way we can help our Nation's workforce, and I urge my colleagues to oppose H.R. 27 as it is written.

The CHAIRMAN. The committee will rise informally.

The Speaker pro tempore (Mr. MCKEON) assumed the Chair.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will remind all persons in the gallery that they are here as guests of the House and that any manifestation of approval or disapproval of proceedings or other audible conversation is in violation of the rules of the House.

MESSAGE FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the House by Ms. Wanda Evans, one of his secretaries.

□ 1645

The SPEAKER pro tempore (Mr. MCKEON). The Committee will resume its sitting.

JOB TRAINING IMPROVEMENT ACT OF 2005

The Committee resumed its sitting.

Mr. BOEHNER. Mr. Chairman, I yield 3 minutes to the gentleman from Puerto Rico (Mr. Fortuño).

Mr. FORTUÑO. Mr. Chairman, back in 1998, Congress enacted the Workforce Investment Act, which established a system for a one-stop career centers aimed at providing one convenient central location to offer job training and other employment-related services.

While these reforms have largely been a success, the system is still hampered by inefficiency, duplication, and unnecessary bureaucracy. The bill that we are approving today aims to strengthen training services for job seekers accomplishes these goals in several ways: Particularly by streamlining bureaucracy and eliminating duplication; consolidating the three adult WIA training programs, giving States and local communities greater flexibility, and enabling more job seekers to be served with no reduction in services; removing arbitrary barriers that prevent individuals from accessing job

training services immediately; strengthening partnerships between local businesses, communities colleges and the local one-stop delivery system; enhancing vocational rehabilitation to help individuals with disabilities; and improving allocation and literacy for adults to ensure they gain the knowledge and skills necessary to find employment, including language proficiency.

I want to thank the chairman on the committee for adopting two amendments I have introduced to enhance further employability of the limited English proficient calculation by providing necessary skills, training and English language instruction. I believe this will help tremendously, especially the Hispanic populations throughout the country.

I believe that the backbone of a strong economy and a strong society is a well-trained and highly-skilled workforce. The bill on the floor today is an excellent source to achieve that goal. This bill includes a number of reforms aimed at strengthening our Nation's job training system and better engaging the business community to improve job training services.

It accomplishes this by requiring State and local workforce investment boards to ensure the job training programs reflect the employment needs in local areas; also allowing training for currently employed workers so employers can upgrade workers' skills and avoid layoffs; encouraging the highest caliber providers, including community colleges, to offer training through the one-stop system; leveraging other public and private resources to increase training opportunities; and increasing connections to economic development programs.

The bill reauthorizes the Rehabilitation Act of 1993, the primary Federal program designed to assist individuals with disabilities to prepare for, obtain and retain employment to live independently; and furthermore, it includes transition services for students with disabilities moving from secondary education into post-secondary activities that can only be determined as a possible alternative to address the needs of those in special needs.

I am convinced that H.R. 27 is a valuable tool to achieve that goal we all have set our minds to. And that is none other than creating a better and strong economy and society that will be prepared to compete in a changing and demanding new world that rises as we speak.

Mr. KILDEE. Mr. Chairman, I yield 2 minutes to the gentlewoman from New York (Mrs. MCCARTHY).

Mrs. MCCARTHY. Mr. Chairman, I rise to join the chairman of the Committee on Education and the Workforce, the gentleman from Ohio (Mr. BOEHNER), in a colloquy on how certain provisions in this legislation might affect the governance of WIA funding in New York State.

This legislation provides governors the authority to take a portion of funds provided through the authorizing statutes of mandatory partner programs to cover the infrastructure costs of one-stop centers. I am concerned that this may create a constitutional conflict between the Governor of New York and the Board of Regents.

I offered an amendment to remedy this conflict in committee. The amendment I offered was language that is identical to language already included in S. 9. I would ask the chairman if he would commit to working with me and my New York colleagues in conference to resolve this issue.

Mr. BOEHNER. Mr. Chairman, will the gentlewoman yield?

Mrs. MCCARTHY. I yield to the gentleman from Ohio.

Mr. BOEHNER. Mr. Chairman, I want to thank the gentlewoman for yielding. I pledge to work with her and other interested members of the New York delegation during conference on this legislation to identify and remedy any governance problems which New York may have under this bill. However, it is not clear that the language that the gentlewoman offered in committee that is included in S. 9 fixes the problem in New York and could have other unintended consequences in New York and other States.

So my goal is to ensure that the mandatory partners contribute to the cost of the one-stop infrastructure without causing constitutional problems for States. And as I suggested, I will continue to work with the gentlewoman to achieve this.

Mrs. MCCARTHY. Mr. Chairman, I want to thank the chairman for agreeing to work with us on this issue of importance to New York.

Mr. BOEHNER. Mr. Chairman, I reserve the balance of my time.

Mr. KILDEE. Mr. Chairman, I yield two minutes to the gentleman from New Jersey (Mr. HOLT).

Mr. HOLT. Mr. Chairman, I rise in opposition to H.R. 27, the Reauthorization of the Workforce Investment Act.

The Workforce Investment Act was one of these pieces of legislation that actually helps people. It was passed back in 1998. Unfortunately, this is a step backward as it comes before us today. The bill now here would create block grants to fund the adult dislocated worker and employment service programs. And as we know, funding through nearly every past block grant program has led to decreases in funding in just about every education or labor program that was block granted.

In addition, the proposal here would reduce and restrict services for in-school youths. It would fund one-stop infrastructure by siphoning off funds used to serve veterans and individuals with disabilities; and importantly, the legislation before us here would allow discrimination in hiring based on individuals's religious beliefs.

Under current religious law, organizations are free to make employment decisions using religious criteria with their own money. Why should we allow organizations to discriminate with taxpayer dollars? It really would roll back 40 years of civil rights laws and decades of job training laws as we have heard here today.

The Workforce Investment Act was intended to be about helping hard working Americans find jobs and help those who have a job receive training to improve their employment prospects. This is, I repeat, the kind of legislation that could actually help people. These one-stop centers have been a success. But this legislation does not provide adequate authorized funding for them and it changes many of the good features that have been part of the Workforce Investment Act.

We could be closing the skills gap, but unfortunately, the bill does not do that. It is a step backward from the legislation that was passed in 1998.

Mr. KILDEE. Mr. Chairman, how much time do I have remaining?

The CHAIRMAN. The gentleman from Michigan (Mr. KILDEE) has 5 minutes.

Mr. KILDEE. Mr. Chairman, I yield myself such time as I may consume.

In summary, I urge a no vote on this bill. In 1998, the gentleman from California (Mr. MCKEON) who is a very good friend of mine, we will always remain friends, we have great respect for one another, we wrote a very good bill in 1998, WIA, and I hope we would do likewise this time; but I find myself unable to support this bill.

The bill, among other things, I do not mean to be harsh, but among other things, encapsulates President Bush's response to the woman in Omaha who told him that she was presently working three jobs to ensure that she could provide for her family. And the President responded, ''Uniquely American, isn't it? I mean, that is fantastic that you're doing that.''

Mr. Chairman, we can do better than that.

Mr. Chairman, I yield back the balance of my time.

Mr. BOEHNER. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, what we have before us is the Reauthorization of the Workforce Investment Act. It was first passed in 1998. These one-stop centers that have been created all over the country to help the people gain skills and to increase their skills are a critical part of what we need to do if we are going to have a successful economy over the next 10, 20 and even 50 years.

What we have done in this reauthorization is tried to make these one-stop centers work even better. We believe that by consolidating the three separate funding streams, three different

sets of employees, three different sets of books, we can gain more flexibility for the local workforce boards and thereby freeing up more dollars to be used to actually train workers.

We believe strongly that the youth services money here ought to be directed for the most part to out of school youth, a population that is vastly underserved and we do that in this bill. We also believe that faith-based providers, especially in large urban centers, can provide a very necessary outreach to help those who are really needy have an opportunity to get the kind of training and retraining they need to become productive members of our society.

I think what we have here is a very good bill. And while my friends on the other side of the aisle have some disagreement, I think all of us understand that by and large, this is a good program, that the bill before us is worth the support of my colleagues and I would ask them to do that.

Ms. PELOSI. Mr. Chairman, I rise in opposition to H.R. 27, the Workforce Investment Act Reauthorization.

Today, there are nearly 8 million people who are unemployed and seeking work in this country. There are an additional 5 million workers who want a job but have given up their job search out of frustration. And about one in every five unemployed people—1.7 million Americans—has been jobless for more than 26 weeks.

These sad statistics make a clear point—access to job training services is critical for Americans across the country.

Job training should be a bipartisan priority of this Congress, but this is the second Congress in a row that Republicans have brought to the floor a partisan bill that undermines our job training initiatives.

This Republican bill puts the funding for job training services at risk by consolidating them into a block grant. This is at a time Republicans have already cut funding for job training initiatives under WIA by $750 million since 2002.

The Republican bill eliminates targeted job training for workers who need it the most—those who have lost their jobs to outsourcing and the downturn in our economy.

It allows the states to rob from Adult Education, Veterans' Reemployment, and job training programs for individuals with disabilities to fund more bureaucracy. This would severely jeopardize services to our most vulnerable populations.

Most troubling, this bill sends the message that discrimination will be condoned in federal, taxpayer-funded job training programs.

We all recognize and appreciate the work of faith-based organizations in their service to communities in need. But there is absolutely no evidence that the current law protections have hampered the full participation of faith-based organizations in providing job training services.

This bill, however, would allow religious groups to discriminate on the basis of religion when hiring or firing staff for federally-funded job training initiatives.

It would permit those seeking jobs funded by the federal government to be judged solely on the basis of their religious beliefs and practices, not on their qualifications or ability to do the job.

Instead of promoting the good works of religious organizations, this bill unfairly tarnishes them with the specter of discrimination that they have nobly fought so hard against.

The bill's constitutionally dubious provisions will introduce needless uncertainty and controversy. It will subject religious organizations to legally and morally untenable positions.

That is why this bill is opposed by many religious and civil rights organizations.

The Scott Amendment preserves current law, which permits these organizations to provide job training services with federal funds as long as they do not discriminate.

We can support faith-based organizations without breaking faith with our fundamental American commitment to non-discrimination.

And we can do so much more to support job training services for the millions of American workers who are struggling to find work.

I urge my colleagues to support the Scott Amendment and oppose the Republican bill.

Mr. GENE GREEN of Texas. Mr. Chairman, I rise today to voice my opposition to this Job Training Improvement Act because it does nothing to improve job training in our country.

Congress has an opportunity to take the reauthorization of the Workforce Investment Act and address the needs of millions of unemployed Americans. Instead, we are presented with a proposal that reduces the impact of job training programs by cutting funding to traditional job training providers such as the veteran's employment programs and Perkins Vocational Education Programs.

This bill also consolidates the adult, dislocated worker and employment service programs and their funding while repealing the Wagner Peyser Act. Wager Peyser established the Federal performance and accountability standards that ensure our job training programs are quality programs that place able workers in appropriate positions in the workforce.

Furthermore, this bill would allow federally funded job training organizations to question a candidate about their religious beliefs. I've been a Christian all my life. However, I do not feel it is the place of the Federal Government or anyone receiving Federal funds to question a job candidate about their religious beliefs.

At this time, Congress needs to place more resources into workforce training, not reduce job training programs that are successful. The Houston area continues to have an unemployment rate higher than the national average, as does the State of Texas.

This bill will slow down the ability of those who need workforce training from getting it, and right now this economy needs all the help it can get. H.R. 27 is bad public policy and will further slow our efforts to strengthen our economy.

Mrs. BIGGERT. Mr. Chairman, I rise today in support of H.R. 27, the Job Training Improvement Act. Through local and State workforce investment boards, this legislation will strengthen job training programs to meet the needs of local businesses, many of which rely heavily on information technology, IT.

In the span of just two decades, information technology has become a commonplace part of our lives and has also created nearly 10 million jobs in the United States. Information technology is a factor in the productivity and success of many different sectors of our economy. Whether one is an auto mechanic, a dentist, or a farmer, IT skills are essential—and will be increasingly essential—to one's job performance and productivity. Simply put, the IT industry and its workforce are significant contributors to productivity, innovation and global competitiveness.

It is for this reason, Mr. Chairman, that the Committee report encourages States to examine whether providers of training offer the opportunity to obtain an industry-developed and maintained certification or credential. This is important, in as much as it recognizes that the industries themselves are the most qualified to determine what skills their workforce will need to succeed and excel. This is especially true with respect to the constantly changing and ever-evolving IT industry.

Through certification, individuals receive validation of a level of expertise. This, in turn, can increase an individual's ability to find and retain a good job that utilizes that training. Employers also benefit when certification assures a level of skill that an individual could bring to a job.

The success of WIA in expanding the computer skills of Americans—through training and certification—will improve the productivity of every sector of our economy. This in turn will make America more competitive globally and is an effective step toward creating good jobs right here in the United States.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I rise in support of the amendment offered by my colleague the Ranking Member of the Judiciary Subcommittee on Crime, Mr. SCOTT along with Ms. WOOLSEY, Mr. VAN HOLLEN, Mr. FRANK, Mr. EDWARDS, and Mr. NADLER, to the base bill, H.R. 27. As I stated with respect to the rule, H. Res. 126, the party-line vote of 220–204 that we saw in the 108th Congress on the debate of the then H.R. 1261 should evidence the need for the most open debate over the deficiencies that lie within the provisions on the floor. The need for debate arises from disagreement. As representatives of the United States Congress, we all have a duty to fully debate the issues on behalf of our constituents. A restricted rule precludes that opportunity.

I support the Scott-Woolsey-VanHollen-Frank-Edwards-Nadler amendment to H.R. 27 to remove the provision allowing religious discrimination in employment from the underlying bill. A base bill purportedly designed to improve the opportunity to achieve adequate employment is no place to encourage discrimination. In fact, there is no place for religious discrimination in American law just as there should be no place in America for that kind of backwards thinking.

H.R. 27, in its current state, erodes fundamental civil rights protections for the unemployed and the underemployed by exempting faith-based organizations from compliance with the current non-discrimination law. Presently, under our country's existing laws, in Title VII of the Civil Rights Act, employing institutions using private funds were exempt

from employment discrimination protections. However, WIA programs are federally funded and as such do not fall under the jurisdiction of the Title VII statute. Simply put: Public funds are not allowed to be used to encourage religious discrimination in employment and that should not change.

Each of my colleagues should understand that without this important amendment, we are advocating the notion that one's ability to provide employment to those who are in need is contingent on the religious institution to which the individual belongs. What if anything is accomplished by attempting to create religious hierarchies in the workplace? What benefit does that provide the employer? None. And thus the language allowing religious discrimination should be stricken from the bill. As should all language that does not add to the well being of job-seekers or employment services.

The Founding Fathers of this country found it necessary to say that no one should be unfairly judged or discriminated against on the basis of their religion. This Congress should do no less. We should not create law that does harm. We should not encourage discrimination of any kind, religious or otherwise.

Surely, this country prides itself on its diversity and its willingness to open its doors to people of different religions, races, and ethnic backgrounds. Yet on the floor of the people's House we are faced with an attempt by the Republicans to create a monolithic sub-culture within our employment training programs. Despite the rhetoric on the other side of the aisle, H.R. 27 as it currently reads will not only result in the loss of jobs for applicants who do not identify with their prospective employer's religious beliefs but more importantly it will cause the loss of quality workers.

The Scott-Woolsey-Van Hollen-Frank-Edwards-Nadler amendment will effectively retain civil rights protections for individuals who seek employment or employment training. This amendment simply retains their freedom of religious choice and their freedom not to be discriminated against due to their religion. This amendment adds nothing to the law rather it maintains current law. Without the addition of this proposal, however, the body elected to serve all of the people of this country will have endorsed employment discrimination with federal dollars. We simply cannot allow this to happen. We must do everything we can to preserve the fundamentals of Head Start. I urge my colleagues to vote to ensure that our job programs are not muddied and degraded by the promotion of religious discrimination. Therefore, I stand in full support of this amendment and I urge my colleagues to do the same.

Mr. MORAN of Virginia. Mr. Chairman, I rise in strong opposition to the Job Training Improvement Act, because it will reduce important job training programs such as the veterans employment programs, Perkins Vocational Educational Program and the Vocational Rehabilitation Program.

This measure consolidates the adult, dislocated worker and employment service programs and funding into a block grant, while also repealing the Wagner Peyser Act and removing many of the federal performance and accountability measurements that make the Workforce Investment Act such an important investment in our nation's workforce.

With the unemployment rate at 5.2 percent, it is reprehensible that this legislation will repeal a dedicated funding stream for one-stop centers where job seekers can learn about job opportunities, apply for aid and receive counseling.

We all know what is going to happen if Workforce Investment Act programs are block-granted.

States are not going to spend that money where it is needed the most, which is to aid job seekers in this troubling economy. Instead, these funds may be used to cover infrastructure and administrative costs. This will go against the true intent of the Workforce Investment Act, which is to invest in our workforce.

Even more troubling is the fact that H.R. 27 reduces preventive in-school youth training programs which keep students from dropping out of school. President Bush has pledged to expand the No Child Left Behind law to high schools and require students to take annual tests in reading and mathematics through 11th grade.

So the president wants to ensure that students and teachers are held accountable for learning standards, but he lacks support for programs that strive to keep kids in school?

As we all know, these workforce investment programs are already critically underfunded. They strive to meet the increasing demands placed upon them in an environment of increasingly inadequate resources. To be effective, these programs cannot sustain these devastating cuts.

Finally, the Workforce Reinvestment and Adult Education Act would eliminate the civil rights protections of Americans, by exempting religious organizations from anti-discrimination requirements.

The message that we are sending to the millions of Americans who are unemployed, who are veterans and those who are in need of economic assistance is that we do not care about keeping them from falling further into an economic crisis.

This bill fails as a reinvestment in our workforce and fails to aid the millions of jobless Americans who need it the most.

I urge all my colleagues to vote in favor of the Scott Amendment which will protect current civil rights protections for employees and job applicants of faith-based organizations.

Mr. CASTLE. Mr. Chairman, I rise in support of H.R. 27, the Job Training Improvement Act, which will reauthorize the Workforce Investment Act (WIA)—programs which provide job training for youths, veterans, and seasonal and migrant workers.

For the past six years WIA has offered a ''one-stop delivery system'' through which job-seekers have access to labor market information, job counseling, and job training. In addition, they have access to numerous other federal programs that provide services for job seekers. With facilities in Wilmington, Newark, Dover and Georgetown, the ''one-stop delivery system'' in Delaware has proved to be an efficient tool in training individuals for the workforce.

For example, in Delaware all of our centers are fully equipped with: Internet ready computers, interactive CD–Rom tutorials, fax machine to send resume and cover letters to perspective employers, copy machine, telephone resource center with career manuals including reference books. Delaware also runs an internet site where applicants can post resumes, as well as to search a comprehensive database of job openings. Applicants can also allow Job Scout to search the system for you automatically track wages and trends, training locations and funding available. It also offers bus schedules, links to newspaper classified ads, child care and related information through the family and workplace connection.

The purpose of highlighting the program in Delaware is to provide a real life example of useful it is to have services in one central place. The bill before us today builds on the efficiency of the ''one-stop delivery'' model by streamlining unnecessary bureaucracy, eliminating duplication, strengthening resource allocation, and improving accountability. I am pleased that we are able to make reforms that build upon successes, and that will ultimately enhance the ability of adults to access services that lead to employment.

I would also like to briefly touch upon the services that are provided for youth under this bill. Under this legislation youth between the ages of 16 and 24 are eligible for a variety of services geared toward graduating high school or gaining the skills necessary for employment. The importance of these services cannot be overstated to these young adults.

With that, I thank the gentleman from Ohio (Mr. BOEHNER) and the gentleman from California (Mr. MCKEON), and urge my colleagues to support H.R. 27.

Mr. GREEN of Wisconsin. Mr. Chairman, there are towns and neighborhoods across America that have tough problems, social crises, that desperately need to be addressed. Fortunately, there are many organizations in those communities that want to help, and they offer unique and innovative solutions to some of our most challenging needs. We must open doors for them and help them help our neighbors. That begins by removing the barriers that unnecessarily stand in their way.

It is essential that we recognize the importance of government working with faith-based providers to help society. These organizations are a central part of the fabric of communities across America and we need to ensure that we are removing any obstacles that stand in the way of their ability to help.

Faith-based organizations have a federally-protected right to maintain their religious nature and character through those they hire. Organizations willing to serve their communities by participating in federal programs should not be forced to give up that right. We must pass this legislation with a clear message from Congress to our faith-based leaders: we need your service and we want to assist you in delivering for us and for the most vulnerable in our society.

I urge my colleagues to vote against any amendment that would remove the important religious freedom protections these organizations need and deserve.

Mrs. DRAKE. Mr. Chairman, the policies Congress has implemented over the last four years have provided a solid foundation for American workers and businesses to build a strong economy.

With steady job growth over the last 20 months putting over 2.7 million Americans back to work, it is clear that Congress has the right priorities: Working Americans and their families.

American workers need access to job-training in order that they may obtain the skills to perform the jobs of the 21st century.

Americans want more than a job—they want jobs with higher pay and that provide them with meaning and personal satisfaction. They also want a career, a future, and financial independence in retirement.

As our economy shifts from production to service related jobs, and from low-tech to high-tech occupations, Americans need access to education and job training that provides them with the skills they need to perform.

Mr. Chairman, when enacted, this plan will pair workers with the employers who need the skills they offer, and vice versa.

In a dynamic and changing world economy, many Americans are faced with the reality that they might have to change careers multiple times. This plan will strengthen the ties between job training programs, adult education and vocational rehabilitation programs and the people they serve so they can continue to grow in their careers.

Of particular importance to me and my colleagues who support this plan is provision I proposed that is reflected in the bill we're voting on today.

The provision paves the way for added support for disabled veterans who need help finding meaningful work as they transition to the civilian sector after their dedicated service to our nation.

The men and women of our Armed Forces who have given of themselves should not only be honored, but aided as much as possible in starting life again upon their return.

The Job Training Improvement Act is a crucial step in taking the American workforce into the 21st Century, and I encourage my colleagues to support its passage.

Mr. BACA. Mr. Chairman, I rise in opposition to H.R. 27, the Job Training Improvement Act. This bill fails to improve the Workforce Investment Act and falls short of the promises our government made to provide training and career opportunities for the unemployed.

H.R. 27 is fatally flawed and undermines our current national workforce policy.

It eliminates various worker-training programs, rolls back protection against religious discrimination, and potentially damages the stability of important social programs.

We cannot neglect the unemployed, underemployed and dislocated workers of America who need ample and widespread funding for federal job training services.

Despite a suffering economy and high unemployment, this bill undercuts the ability of our government to provide for these vital workers and erodes Congressional authority and accountability over workforce funds.

Under the provisions of H.R. 27, funding will be shifted from WIA partner programs to pay for the WIA infrastructure and core services costs.

This transfer will weaken vital programs such as TANF, adult education, unemployment insurance, child support enforcement, and veterans employment programs.

Why would we threaten these vital social programs by passing a flawed bill that does not even assure more training would result from the transfer of funds?

H.R. 27 also contains explicit discriminatory provisions.

By repealing long-standing civil rights protections that were signed into law by President Reagan, this bill allows job-training providers to discriminate on the basis of religion.

Since 1982, these provisions have been included in the bill and received bipartisan support.

We cannot allow this gross inequity to tear at the fabric of a fundamental American principle—the inalienable right to fair and equal treatment under the law.

This is why I strongly support Congressman Scott's amendment that will restore these basic civil rights and my faith in our legislative process.

We cannot allow ourselves to drastically depart from previous workforce policy by eliminating worker training programs, destabilizing essential social programs, and writing discriminatory provisions into law.

This so-called Workforce Investment Act is not an acceptable or responsible proposal to provide needed services to our nation's unemployed.

I urge my colleagues to join me in voting no on final passage.

Mr. STARK. Mr. Chairman, I rise today in opposition to H.R. 27, the so-called Job Training Improvement Act of 2005.

Today's bill has nothing to do with improving job training for our workforce—far from it. Instead, this bill actually weakens worker protections, opens the door to hiring discrimination, and dismantles the employment service program that helps unemployed workers find jobs.

Apparently the Republicans haven't monitored the weak job market numbers. How else can you explain being so cruel and unfair as to pull the rug out on our nation's unemployed?

Let me remind my Republican colleagues that there are still fewer jobs available in America than when President Bush came to office. Inflation is still growing faster than the average earnings of workers—a fact that is particularly true for low-skilled and low-income workers.

Confronted with such evidence, this Congress should be doing everything we can to bolster workforce investment. Yet, this Republican bill cuts employment and re-employment services at the time they are needed most. It underfunds the Employment Service, Adult, and Dislocated Worker programs by consolidating them into a single block grant. This puts a greater financial burden directly on the states, exacerbating their budget deficits and perversely triggering layoffs among the very state employees who administer these programs. Yet, much worse, it forces unemployed workers and welfare recipients to fight it out for a share of these limited funds.

To add insult to injury, the Republicans give states the right to waive basic worker protections that allow employees to seek redress when they've been treated unfairly. They even allow religious organizations to engage in hiring discrimination in an unholy attempt to turn back a half-century of progress in preventing workplace discrimination.

Current law prohibits employers participating in federal job training programs from discriminating based on race, color, religion, sex, national origin, age disability, or political affiliation or belief. The Republican bill would allow the taxpayer dollars that pay for these job-training programs to go to religious organizations that blatantly discriminate in hiring based on religious beliefs. What next? Will the next Bush initiative include allowing discrimination based on race, sexual orientation or political affiliation?

The vital civil rights provision barring federally-funded religious discrimination has never been controversial and has never been a partisan issue. In fact, the provision was first included in the federal job training legislation that former Senator Dan Quayle sponsored. It passed through a committee chaired by Senator ORRIN HATCH and was signed by President Ronald Reagan.

Throughout its 23-year history, this civil rights provision has not been an obstacle to the participation of religiously affiliated organizations in federal job training programs. Currently, many religious organizations participate in the federal programs and comply with the same civil rights protections that apply to other employers.

But suddenly, under the leadership of the White House, we are being asked to forget the principle of equal opportunity on which our country was founded.

Now is not the time to be rolling back civil rights protections and it certainly isn't the time to be short-changing the unemployed.

Congress ought to be creating solutions to make it easier for folks to find jobs, not more difficult. This Republican bill is clearly not a solution.

I urge my colleagues to vote "no" on H.R. 27.

Mr. SCOTT of Virginia. Mr. Chairman, I submit the following information regarding H.R. 27 for the RECORD.

MARCH 2, 2005.

THE REAL DEMOCRATIC RECORD ON CHARITABLE CHOICE,

DEAR COLLEAGUE: I wanted to be sure you had a copy of the Real Democratic Record on Charitable Choice. I hope this is helpful as we debate H.R. 27, containing a vast expansion of Charitable Choice to federally-funded job training programs for the first time since 1965.

THE 2004 DEMOCRATIC PLATFORM

"We honor the central place of faith in the lives of our people. Like our Founders, we believe that our nation, our communities, and our lives are made vastly stronger and richer by faith and the countless acts of justice and mercy it inspires. We will strengthen the role of faith-based organizations in meeting challenges like homelessness, youth violence, and other social problems. At the same time, we will honor First Amendment protections and not allow public funds to be used to proselytize or discriminate. Throughout history, communities of faith have brought comfort to the afflicted and shaped great movements for justice. We know they will continue to do so, and we will always protect all Americans' freedom to worship."

THE CLINTON ADMINISTRATION RECORD ON CHARITABLE CHOICE

1996—The Clinton Administration submitted amendments as part of its technical

corrections package to Congress regarding concerns over the constitutionality of Charitable Choice provisions contained in welfare reform. They filed the following comments with the amendment: ''[P]rovisions of sec. 104 and its legislative history could be read to be inconsistent with the constitutional limits. . . . We recommend amending sec. 104 to clarify that it does not compel or allow States to provide TANF benefits through pervasively sectarian organizations, either directly or through vouchers redeemable with these organizations.'' Congress did not act on those amendments.

1998—The Clinton Administration issued a signing statement placing limitations on the Charitable Choice provisions contained in the Community Services Block Grant: ''The Department of Justice advises, however, that the provision that allows religiously affiliated organizations to be providers under CSBG would be unconstitutional if and to the extent it were construed to permit governmental funding of ''pervasively sectarian'' organizations, as that term has been defined by the courts. Accordingly, I construe the Act as forbidding the funding of pervasively sectarian organizations and as permitting Federal, State, and local governments involved in disbursing CSBG funds to take into account the structure and operations of a religious organization in determining whether such an organization is pervasively sectarian.''

2000—The Clinton Administration issued a signing statement placing limitations on the Charitable Choice provisions contained in the reauthorization of the Substance Abuse Mental Health Services Act (SAMHSA): ''The Department of Justice advises, however, that this provision would be unconstitutional to the extent that it were construed to permit governmental funding of organizations that do not or cannot separate their religious activities from their substance abuse treatment and prevention activities that are supported by SAMHSA aid. Accordingly, I construe the Act as forbidding the funding of such organizations and as permitting Federal, State, and local governments involved in disbursing SAMHSA funds to take into account the structure and operations of a religious organization in determining whether such an organization is constitutionally and statutorily eligible to receive funding.''

Very truly yours,

ROBERT C. ''BOBBY'' SCOTT,
Member of Congress.

FEBRUARY 28, 2005.

DEAR REPRESENTATIVE: The undersigned organizations are writing to urge you to vote against H.R. 27, the Job Training Improvement Act, unless it is modified to address the concerns outlined in this letter, and to oppose any effort to expand the block grant authority in the bill along the lines of the Administration's ''WIA Plus'' proposal.

H.R. 27 fails to make meaningful improvements to the Workforce Investment Act (WIA) that would enhance the training and career opportunities of unemployed workers. Instead, the legislation would eliminate the dislocated worker training program, undermine state rapid response systems, end the federal-state labor exchange system, roll back protections against religious discrimination in hiring by job training providers, and potentially undermine the stability of other important programs.

In particular, we are concerned about the following provisions in H.R. 27:

NEW BLOCK GRANT

H.R. 27 consolidates into a single block grant the WIA adult and dislocated worker programs with the Wagner-Peyser employment service program and reemployment services for unemployment insurance recipients. In doing so, it will eliminate job training assistance specifically targeted to workers dislocated by off shoring and other economic changes, pit different types of workers against each other, and lead to future funding reductions. The block grant also eliminates the statewide job service, which provides a uniform statewide system for matching employers and jobseekers, replacing it with a multiplicity of localized programs that would have no incentive or ability to cooperate and function as a comprehensive labor exchange system. Eliminating the employment service, which is financed with revenue from the unemployment insurance (UI) trust fund, breaks the connection between the unemployment insurance program and undermines the UI ''work test,'' which ensures that UI recipients return to work as quickly as possible.

INFRASTRUCTURE AND CORE SERVICES FUNDING

A principal criticism of WIA has been the substantial decline in actual training compared to its predecessor, the Job Training Partnership Act. While there are various reasons for the reduction in training, including the sequence of services requirement in current law, the use of WIA resources by local boards and operators to build new one-stop facilities and bureaucracies, without any limitation, has contributed substantially to the decline in training. This is despite the fact that many WIA partner programs also contribute operating funds to one-stop operations.

H.R. 27 gives governors even broader discretion to transfer additional resources from the WIA partner programs to pay for WIA infrastructure and core services costs—without any assurance that more training would result. These programs include the vocational rehabilitation program, veterans employment programs, adult education, the Perkins post secondary career and technical education programs, unemployment insurance, trade adjustment assistance, Temporary Assistance for Needy Families (TANF), and, if they are partners, employment and training programs under the food stamp and housing programs, programs for individuals with disabilities carried out by state agencies, including state Medicaid agencies, and even child support enforcement. By relying on funding transfers from these programs to guarantee resources for WIA infrastructure and core services, H.R. 27 will disrupt and weaken services provided by these non-WIA programs, which also will face substantial pressures for funding reductions in the next few years.

The infrastructure and related provisions start the commingling of funds from these non-WIA programs. In doing so, they transform the original one-stop idea of a better-coordinated workforce system into a mechanism for reducing resources for and block granting these programs in the future. A more effective and simple solution to ensuring adequate training services would be to require that a certain percentage of WIA funds be used for training as provided in previous job training programs and to create a separate WIA funding stream for one-stop operations, if necessary.

PERSONAL REEMPLOYMENT ACCOUNTS

H.R. 27 includes permanent and unlimited authority for the Secretary to conduct ''personal reemployment account'' (PRA) demonstrations even though the Department of Labor recently initiated a PRA demonstration without strong interest among the states. Although nine states could have participated, only seven are doing so.

Since this demonstration already is in process, we see no justification for this provision and can only surmise that it is an attempt to implement PRAs more broadly, despite a lack of Congressional support for a full-scale program in the past.

Unlike current WIA training programs, the PRAs would limit the cost of training that an unemployment insurance recipient can receive and would bar that individual from WIA training services for a year after the PRA account is established. This is the wrong way to go. With longterm unemployment at historically high levels, there is a much greater need for continued unemployment benefits for the long-term unemployed who have found it so difficult to become reemployed.

RELIGIOUS-BASED EMPLOYMENT DISCRIMINATION

H.R. 27 repeals longstanding civil rights protections that prohibit religious-based employment discrimination by job training providers. These protections have been included in job training programs, which received bipartisan support, since 1982. At no time have the civil rights provisions prohibited religious organizations from effective participation in federal job training programs. This rollback of civil rights protections is especially incongruous in a program designed to provide employment and career opportunities in an evenhanded manner and should be rejected.

WIA PLUS PROPOSAL

The Administration has proposed giving Governors authority to merge five additional programs into the WIA block grant. The proposal would eliminate specialized assistance to unemployed, disabled and homeless veterans, critical job training services for workers under the Trade Adjustment Assistance Act whose jobs have been outsourced or lost to foreign competition, and specialized counseling and customized help for people with disabilities through state vocational rehabilitation agencies. These individuals would have to compete with each other for a declining share of resources without the protections and requirements under current law. Furthermore, the proposal abrogates accountability for the expenditure of federal taxpayer dollars by eliminating program reporting requirements. We strongly urge you to oppose any effort to adopt this misguided plan.

In summary, H.R. 27 strays far from the appropriate mission for federal job training programs of enhancing training opportunities for workers and providing skilled workers for employers. We strongly urge you to oppose this legislation unless amendments are adopted to delete the block grant, PRA demonstration and religious-based discrimination provisions and to modify the infrastructure provisions as recommended.

American Association of People with Disabilities.
American Civil Liberties Union.
American Counseling Association.
American Federation of Government Employees (AFGE).
American Federation of Labor-Congress of Industrial Organizations (AFL–CIO).
American Federation of State, County and Municipal Employees (AFSCME).
American Federation of Teachers (AFT).
American Humanist Association.
American Jewish Congress.
American Psychological Association.

American RehabACTion Network.
Americans for Democratic Action (ADA).
Americans for Religious Liberty.
Americans United for Separation of Church and State (AU).
Association for Career and Technical Education.
Baptist Joint Committee.
Brain Injury Association of America.
Brotherhood of Locomotive Engineers and Trainman.
Campaign for America's Future.
Center for Community Change.
Communications Workers of America (CWA).
Council of State Administrators for Vocational Rehabilitation (CSAVR).
Easter Seals.
Equal Partners in Faith.
Goodwill Industries.
Institute for America's Future.
Interfaith Alliance.
International Association of Machinists and Aerospace Workers.
International Brotherhood of Teamsters.
International Union of Painters and Allied Trades.
National Advocacy Center of the Sisters of the Good Shepherd.
National Alliance For Partnerships in Equity.
National Association of State Directors of Career Technical Education Consortium.
National Association of State Head Injury Administrators.
National Council of Jewish Women.
National Education Association.
National Employment Law Project.
National Head Start Association.
National Immigration Law Center.
National Law Center on Homelessness & Poverty.
National League of Cities.
National Organization for Women.
National Rehabilitation Association (NRA).
National WIC Association.
National Women's Law Center.
NETWORK, A National Catholic Social Justice Lobby.
OMB Watch.
Paralyzed Veterans of America.
Patient Alliance for Neuroendocrineimmune Disorders; Organization for Research and Advocacy.
Plumbers and Pipe Fitters Union.
Professional Employees Department, AFL–CIO.
Protestants for the Common Good.
Service Employees International Union (SEIU).
The Arc of the U.S.
United Cerebral Palsy.
Unitarian Universalist Service Committee.
United Auto Workers (UAW).
United Church of Christ Justice and Witness Ministries.
United Mineworkers of America.
United Steelworkers of America.
USAction.
Welfare Law Center.
Wider Opportunities for Women.
Women Employed.
Women Work! The National Network for Women's Employment.
YWCA USA.
9to5, National Association of Working Women.

AMERICAN HUMANIST ASSOCIATION,
Washington, DC, February 25, 2005.

DEAR REPRESENTATIVE: On behalf of the American Humanist Association, the oldest and largest Humanist organization in the nation, I write in opposition to the Job Training Improvement Act (H.R. 27). The Act is included in legislation reauthorizing the Workforce Investment Act of 1998, the main job training program in the United States.

The Job Training Improvement Act eliminates the protection against employment discrimination in federally funded job training programs. If passed the measure would erode civil rights protections in these programs that have been in place since President Ronald Reagan signed the Job Training Partnership Act into law in 1982.

While the AHA supports job training, we urge you to oppose this Act because it would further entrench a constitutionally questionable faith-based initiative and would legally sanction discrimination.

An amendment to reinstate civil rights protections will be offered on the floor by Representative Bobby Scott. We ask you to support this amendment because it would alleviate the civil rights rollback included in the bill.

As Humanists we strive for religious freedom and equal treatment regardless of one's beliefs or lack thereof. As it's written, this legislation gives the freedom for faith-based organizations funded with taxpayer dollars to hire on the basis of religious beliefs, opening the door to religious and ideological employment criteria. Along with other religious, civil rights, labor, education, health, and advocacy organizations, the American Humanist Association opposes H.R. 27.

Sincerely,

TONY HILEMAN,
Executive Director.

THE AMERICAN JEWISH COMMITTEE,
Washington, DC, February 25, 2005.

DEAR REPRESENTATIVE: I write on behalf of the American Jewish Committee, the nation's oldest human relations organization; with more than 150,000 members and supporters represented by 33 chapters nationwide, to urge you to support, if offered, the Scott-Van Hollen-Woolsey amendment to H.R. 27, the Job Training Improvement Act of 2005. We further urge that, absent the amendment, you vote to oppose H.R. 27; without the amendment, the bill would repeal longstanding civil rights protections designed to protect workers in federally-funded job training programs from religious discrimination.

Beginning with the inception of the federal job-training programs encompassed by the Job Training Partnership Act of 1982, religion-based employment discrimination has been prohibited in federally funded job-training programs, including programs operated by religious institutions. The bipartisan Job Training Partnership Act, which included the provision prohibiting religious discrimination that H.R. 27 would now make inapplicable to religious organizations, was originally sponsored by Senator Dan Quayle (R–IN), reported out of the Senate HELP Committee under Chairman Orrin Hatch (R–UT) and signed into law by President Ronald Reagan. In 1998, the provision once again received strong bipartisan support in both the House and the Senate when the Workforce Investment Act combined earlier job-training programs and recodified the original nondiscrimination provision included in the 1982 law.

The nondiscrimination provision that the Scott-Van Hollen-Woolsey amendment would reinstate has, over the past 23 years, allowed religious organizations to participate in federally funded job-training programs while protecting religious liberty and maintaining fundamental civil rights standards. We are committed to maintaining and respecting the autonomy of religious organizations, including their right to look to religious standards when making employment decisions for positions funded with private resources. But preserving the autonomy of those institutions must not entail the wholesale repeal of longstanding civil rights safeguards that protect workers from religious discrimination in federally-funded positions.

Respectfully,

RICHARD T. FOLTIN,
Legislative Director and Counsel.

NATIONAL COUNCIL OF JEWISH WOMEN,
Washington, DC, February 23, 2005.

DEAR REPRESENTATIVE: On behalf of the 90,000 members and supporters of the National Council of Jewish Women (NCJW), I am writing to you regarding the Job Training and Improvement Act (H.R. 27) introduced by Rep. Howard McKeon (R–CA). This legislation includes dangerous language that would repeal longstanding civil rights protections designed to protect against religious discrimination in employment in federally funded job training programs. I urge you to support an amendment that would strike this provision, or oppose the bill if such an amendment is not included.

Current federal law prohibits discrimination based on religion in federally funded programs. This twenty-three year old provision has worked well, allowing religious organizations to provide essential government services while maintaining their own sectarian identity and America's core commitment to protecting both civil rights and religious liberties. The language in H.R. 27 would remove these existing civil rights protections and allow faith-based groups to discriminate based on religion in their hiring practices. While such discrimination may be appropriate in some situations, such as hiring a rabbi, priest or imam, it has no place in the hiring of providers of secular services funded by taxpayer dollars. Faith-based organizations receiving government funding must be held to the same civil rights standards as other social service providers and doing so has not prevented these groups from partnering with the government to provide important services.

NCJW joins scores of religious leaders, denominational offices, and faith-based organizations in opposition to this divisive and unnecessary legislation. I urge you to oppose the Job Training and Improvement Act and uphold our nation's commitment to eradicating employment discrimination.

For over a century, NCJW has been at the forefront of social change, raising its voice on important issues of public policy. Inspired by our Jewish values, NCJW has been, and continues to be, an advocate for the needs of women, children, and families and a strong supporter of equal rights and protections for everyone.

Sincerely,

MARSHA ATKIND,
President.

OMB WATCH,
Washington, DC, February 25, 2005.

VOTE ''NO'' ON WIA REAUTHORIZATION UNLESS SCOTT AMENDMENT PASSES! PROTECT CIVIL RIGHTS—STOP FEDERALLY FUNDED RELIGIOUS DISCRIMINATION

Re Scott Amendment to H.R. 27, the Jobs Training Improvement Act.

DEAR REPRESENTATIVE: OMB Watch strongly urges you to support the Scott Amendment to H.R. 27, the Jobs Training Improvement Act of 2005. The Scott Amendment will

restore civil rights protections to people wishing to be employed by religious organizations participating in federally funded programs.

The need for the Scott Amendment is underscored by a decision made by the Supreme Court in Chief Justice Rehnquist's majority opinion in Bowen v. Kendrick, 487 U.S. 589 (1988). The Court stated that although the Constitution does not bar religious organizations from participating in federal programs, it requires (1) that no one participating in a federal program can ''discriminate on the basis of religion'' and (2) that all federal programs must be carried out in a ''lawful, secular manner.'' Id. at 609, 612.

H.R. 27 seeks to codify discrimination in hiring for federally funded positions by religious organizations. The bill repeals longstanding civil rights protections designed to protect workers against this kind of religious discrimination. Since their inception in 1982, these job training programs have included important civil rights protections against employment discrimination based on religious beliefs in programs that receive federal funding.

The Scott Amendment will make H.R. 27 consistent with Bowen v. Kendrick and President Reagan's original intent when he signed the first Workforce Investment Act in 1988. This twenty-one year old provision has been successfully implemented since the inception of the job training program, allowing religious organizations to provide essential government services while maintaining a commitment to protecting civil rights and religious liberty.

VOTE ''YES'' ON THE SCOTT AMENDMENT; VOTE ''NO'' ON FINAL PASSAGE IF THE SCOTT AMENDMENT FAILS

Although religious employers have the right under Title VII to apply religious tests to employees, the Constitution requires that the direct receipt and administration of federal funds remove that exemption. In addition, the federal government has constitutional obligations reinforced by Bowen v. Kendrick to refrain from religious discrimination. The Scott Amendment will restore the civil rights provisions into H.R. 27.

For these reasons, OMB Watch encourages you to vote ''YES'' on the Scott Amendment and ''NO'' on final passage if the Scott Amendment fails. If you have any questions, please contact Jennifer Lowe at 202–234–8494. Thank you for your attention to this matter.

Sincerely,

GARY BASS,
Executive Director.

PEOPLE FOR THE AMERICAN WAY,
Washington, DC, February 24, 2005.

DEAR MEMBER OF CONGRESS: On behalf of the over 675,000 members and supporters of People For the American Way, we are writing to voice our opposition to the Job Training Improvement Act (H.R. 27) as it would repeal longstanding civil rights protections designed to protect workers against religious discrimination in federally-funded job training programs. We urge you not to eliminate the civil rights of thousands of Americans by exempting religious organizations from anti-discrimination requirements established over twenty years ago. These critical requirements were signed into law by President Ronald Reagan in 1982 under the Job Training Partnership Act and were reaffirmed in 1998 during the passage of the retitled Workforce Investment Act (WIA). We ask that you support the Scott amendment which would restore this necessary protection. If Congress were to do otherwise, it would be allowing direct federal funding of discrimination. This is unacceptable.

Maintaining the separation between church and state is fundamental to maintaining the religious freedoms of all Americans. However, this can not be accomplished when organizations receiving federal funds are allowed to deny employment opportunities based upon an individual's religious beliefs.

There is no need to exempt religious organizations from anti-discrimination laws in order to protect the religious identity of that organization. Provisions already exist that allow an organization that is the recipient of federal funds to separate its religious content from the provision of services through the creation an independent 501[c][3] organization. This allows the religious organization to maintain its religious identity without government interference, while also providing needed services in the community.

Any exemption for religious organizations receiving federal funds should not be permitted for it would undermine a half century of public policy aimed at protecting individuals from discrimination in the workplace, and further erode the fundamental protections against discrimination based on one's religion that are absolutely central to our democracy.

We ask that you uphold the religious liberties of all Americans and not allow federal funding of employment discrimination under H.R. 27. Therefore, we strongly urge you to support the Scott amendment, which may be offered on the floor, to restore current law and continue to protect critical civil rights protections within the Job Training Improvement Act. Furthermore, we ask that you vote no on the final passage of H.R. 27 if this amendment is not adopted. Thank you.

Sincerely,

RALPH G. NEAS,
President.

TANYA CLAY,
Deputy Director of Public Policy.

PRESBYTERIAN CHURCH (USA),
Washington, DC, March 1, 2005.

DEAR REPRESENTATIVE: As you consider H.R. 27 and the issue of Faith-Based Hiring, I would like to alert you that the official policy of the Presbyterian Church (USA) is to oppose the kind of discrimination that could arise in the name of religion through the passage of this bill. Religious freedom and liberty has been a key component of the beliefs held by members of this historic denomination.

On Charitable Choice/Faith Based Initiatives—The 1988 General Assembly of the Presbyterian Church (USA) ''has recognized for many years that, apart from question of constitutionality, the church faces serious issues related to its own liberty of faith and action when it receives government funds. The 1969 General Assembly noted the distinction between ''church-controlled'' and ''church-related'' and urged that ''temporary or permanent community agencies qualified to receive public funds be established at church initiative to maintain such programs;'' and, ''if church control was temporarily necessary for start up or experimental programs, that any permanent program resulting . . . be removed from church control and put under the control of independent community-based bodies.'' Holding that ''in the conduct of social services church agencies should accept necessary and proper governmental regulation and supervision . . .'' (Minutes, 1988, p. 559).

Also, General Assembly policy has consistently and clearly stated that government has the primary responsibility for caring for the poor, along with the private sector: The 1997 General Assembly stated (and the 1999 General Assembly reaffirmed), ''that while the church, voluntary organizations, business, and government must work cooperatively to address the needs of poor persons and communities, the government must assume the primary role for providing direct assistance for the poor'' (Minutes, 1997, pp. 553). The General Assembly has noted that the private sector is incapable of caring for the needy on its own. The 1996 General Assembly asserted that ''churches and charities, including many Presbyterian congregations and related organizations, have responded generously to growing hunger but do not have the capacity to replace public programs'' (Minutes, 1996, p. 784).

As with all institutions and organizations, there will be those who may hold a differing view from that of the parent body. Congress may receive letters from organizations that may cause confusion about where the official policy of the Church is on this issue.

The General Assembly of the Presbyterian Church is the highest governing body of the 216 year denomination. There are approximately 11,500 congregations with 2.5 million members. Please contact me if you have further questions.

Rev. ELENORA GIDDINGS IVORY,
Director, Washington Office.

RELIGIOUS ACTION CENTER
OF REFORM JUDAISM,
Washington, DC, February 24, 2005.

DEAR REPRESENTATIVE: On behalf of the Union for Reform Judaism, whose 900 congregations across North America encompass 1.5 million Reform Jews, and the Central Conference of American Rabbis (CCAR) whose membership includes over 1800 Reform rabbis, I strongly urge you to oppose the Job Training and Improvement Act of 2005 (H.R. 27). H.R. 27 does not meet the job training needs of either job seekers or employers and would repeal civil rights laws by permitting government-funded faith-based job training programs to practice religious discrimination in employment.

H.R. 27 fails to make meaningful improvements to the Workforce Investment Act of 1998 and would weaken the federal government's job training programs. H.R. 27 consolidates several worker training programs into a single block grant and gives states broad discretion in their use of funds. Experience with block grants suggests that this wider discretionary power is a precursor to federal funding cuts. Under W1A, states and local governments have also been allowed more discretion in the use of job training funding, and states have used this discretion to fund new job training facilities rather than focus on providing new services.

The Job Training and Investment Act would also appeal civil rights law by permitting government funded faith-based job training programs to engage in religious discrimination when making employment decisions. While the interrelated issues of whether the Constitution permits federally funded religious entities to discriminate in hiring on the basis of religion and the legitimate need to recognize the religious autonomy of churches, synagogues, and houses of worship are complex, government-funded discrimination is deeply problematic on a policy level. The notion that a job notice could be placed in the newspaper seeking employees for a government-funded social service program run by a Protestant church that reads ''Jews, Catholics, Muslims need not apply''

or ''No unmarried mothers will be hired'' is profoundly troubling. According to an April 2001 Pew Forum on Religion and Public Life poll, 78 percent of Americans oppose allowing government-funded religious organizations to hire only those who share their religious beliefs.

Religious institution can, and do, play a vital role in helping provide employment services. However, the government must ensure that religious organizations that accept government funding are prohibited from practicing religious discrimination.

We urge you to address the real and distinct needs of different types or workers and job seekers and to protect longstanding civil rights by opposing the Job Training and Improvement Act of 2005 (H.R. 27).

Yours sincerely,

Rabbi DAVID SAPERSTEIN,
Director and Counsel.

THE INTERFAITH ALLIANCE,
Washington, DC, February 28, 2005.

DEAR MEMBERS OF CONGRESS: I write to you today as the president of The Interfaith Alliance, a nonpartisan, national grassroots organization dedicated to promoting the positive and healing role of religion in public life, to urge you to support the amendment, offered by Representative Bobby Scott (D–VA), to the Job Training Improvement Act/H.R. 27 that would restore civil rights protections. If an amendment like this fails, I urge you to oppose the Job Training Improvement Act/H.R. 27 because it is an unjustified assault on religious liberty and civil rights protections.

Section 127, entitled ''Non-Discrimination'' exempts religious organizations that receive Federal funds from the prohibition of discrimination that is standard practice for all other organizations that contract with the federal government. Specifically, under the subsections entitled ''Prohibition of Discrimination Regarding Participation, Benefits and Employment,'' and ''Exemption for Religious Organizations,'' the bill states, that standard nondiscrimination policies ''shall not apply to a recipient of financial assistance under this title that is a religious corporation, association, educational institution, or society, with respect to the employment of individuals of a particular religion . . .''

This provision represents a dramatic shift in government policy towards religion as it repeals longstanding civil rights protections which have traditionally protected people of faith and goodwill from religious employment discrimination in federally funded job-training programs.

Since its inception in 1982, when it was called the Job Training Partnership Act (JTPA), this program has been the largest Federal employment training program in the nation, serving dislocated workers, homeless individuals, economically disadvantaged adults, youths and older workers. When signed into law by President Ronald Reagan, this program contained the very language protecting against religious discrimination that H.R. 27 seeks to repeal.

As an organization comprised of 150,000 people of faith and goodwill spanning over 70 faith traditions, I urge you to support the Scott amendment to the Job Training Improvement Act/H.R. 27 that would restore civil rights protections. If an amendment like this fails, I urge you to oppose the Job Training Improvement Act/H.R. 27 because it is an unjustified assault on religious liberty and civil rights protections.

America's unemployed citizens and those who wish to train them should not be subjected to a religious test under a Federal program. If you need further information on our position on this matter, please do not hesitate to contact Kim Baldwin, Director of Public Policy and Voter Education, at 202–639–6370.

Sincerely,

Rev. Dr. C. WELTON GADDY,
President, The Interfaith Alliance.

UNITARIAN UNIVERSALIST ASSOCIATION OF CONGREGATIONS, WASHINGTON OFFICE FOR ADVOCACY,
Washington, DC.

To: Members of the House of Representatives.

DEAR REPRESENTATIVE: I write on behalf of over 1,000 congregations that make up the Unitarian Universalist Association of Congregations (UUA). Unitarian Universalists have a long and proud history of opposing the convergence of religion and state in ways that compromise both entities. I write today to urge you to oppose provisions in H.R. 27, The Job Training Improvement Act that would do just that.

We ask you to oppose religious discrimination in employment procedures included in Section 128 of H.R. 27. If Section 128 were included as written, The Jobs Improvement Act would allow religious organizations receiving government funds to discriminate on the basis of religion when hiring employees for taxpayer-funded positions. This would jeopardize both civil rights and religious freedom. We urge you to support the amendment offered on the floor by Representative SCOTT that would restore protections contained in current law that guard the freedom of religious belief and expression to all people seeking employment of federally funded positions.

While The Unitarian Universalist Association affirms the critical role of faith as a source of healing in our society, we strongly believe that all legally qualified social service providers should be considered for employment without the imposition of religious tests or proscription. By accepting government funds, houses of worship are—and should remain subject to government oversight, as well as government regulation, including compliance reviews, audits, and upholding the protections against civil rights violations such as religious discrimination.

If an amendment restoring current law by requiring federally funded religious organizations to comply with civil rights protections is not passed on the floor, we urge you to oppose H.R. 27, the Job Training Improvement Act as written. The protection of the religious expression of people of all faiths is the responsibility all Americans, including religious organizations such as ours and legislators such as yourself. We ask for your vote against religious discrimination in the workplace in order to protect the civil rights and religious freedom of all people and remain true to one of the core principles of our nation's commitment to liberty for all.

Sincerely,

ROB KEITHAN,
Director.

NATIONAL ASSOCIATION FOR THE ADVANCEMENT OF COLORED PEOPLE, WASHINGTON BUREAU,
Washington, DC, February 25, 2005.

MEMBERS,
House of Representatives,
Washington, DC.

Re Support the Scott Amendment to H.R. 27, the Job Training Improvement Act of 2005, which would restore protections against discrimination in current law.

DEAR REPRESENTATIVE: On behalf of the National Association for the Advancement of Colored People (NAACP), the nation's oldest, largest and most widely recognized grassroots civil rights organization, I urge you, in the strongest terms possible to support the amendment being offered by Congressman Bobby Scott to H.R. 27 that would retain the civil rights protections when using federal funds in the current law. If the bill's existing language becomes law, civil rights protections that have been in place for decades will be eliminated and the result will be federally funded discrimination. Given the importance of this issue to the NAACP and our membership, I would also urge you to vote against final passage of the bill should the Scott amendment fail.

Because of our Nation's sorry history of bigotry, for decades it has been illegal to discriminate in employment and make hiring decisions based on race or religion. The only exception is faith-based organizations that are exempted from anti-discrimination provisions in programs using their own money; although until now they had to adhere to basic civil rights laws when using federal monies to support a program.

There should be no question that Faith Based institutions should, like all other recipients of federal funds, adhere to basic civil rights laws when using federal funds. It is a fundamental American principle that no citizen should have to pass someone else's racial, ethnic or religious test to qualify for a taxpayer-funded job and has been the law since 1982 when our federally-funded national job training programs were consolidated under the Job Training Partnership Act. H.R. 27 would eliminate the protections and advancements in the current law, provisions which have never been controversial.

Congressman Scott's amendment would restore protections against religious discrimination in hiring for jobs funded through the Job Training Improvement Act. This amendment is consistent with the civil rights laws passed of the mid-1960's and with the basic principles of our Constitution and would reassert traditional and well-established employment rights, civil rights and anti-discrimination protections.

Make no mistake; enactment of this provision will not make it easier for faith-based organizations to get federal contracts; they still need to apply, compete, and are subject to audit. Any program that can get funded under this bill can get funded anyway; Faith based organizations must simply comply with decades-old civil rights laws; they must not discriminate in hiring.

While there can be no question as to the invaluable role that faith-based organizations have played and continue to play in meeting many of the needs facing our nation today, it is also true that there are a few organizations which may, unfortunately, use religious discrimination as a shield for racial or gender discrimination. Thus I urge you, again in the strongest terms possible, to support Congressman Scott's amendment and ensure that tax dollars are not being used to support discrimination in any form.

Should you have any questions or comments on the NAACP position, I hope that you will feel free to contact me at (202) 463–2940. The NAACP considers this to be a very important civil rights vote, and your position will be relayed to our national membership.

Sincerely,

HILARY SHELTON,
Director.

AMERICAN FEDERATION OF STATE, COUNTY, AND MUNICIPAL EMPLOYEES, AFL–CIO,
Washington, DC, February 25, 2005.

DEAR REPRESENTATIVE: I am writing on behalf of the 1.4 million members of the American Federation of State, County and Municipal Employees (AFSCME) to urge you to vote against H.R. 27, the ''Job Training Improvement Act of 2005'' and to oppose any effort to expand the block grant authority in the bill along the lines of the Administration's ''WIA Plus'' proposal.

H.R. 27 fails to make improvements necessary to enhance the training and career opportunities of unemployed workers. Instead, the legislation completely eliminates the dislocated worker training program, undermines state rapid response systems, ends the federal-state labor exchange system, rolls back protections against religious discrimination in hiring by job training providers, and potentially undermines the stability of other important related programs. It also threatens the unemployment insurance-employment service partnership that has served the nation well for over 70 years.

We are especially concerned that H.R. 27 terminates the U.S. Employment Service (ES) system by folding it into a block grant with the WIA dislocated worker and adult training programs. Funded from the federal Unemployment Insurance Trust Fund, the ES has been a key part of the unemployment insurance (UI) system since its inception. Through state employment service agencies, the ES has administered the UI ''work test'' to determine whether UI claimants are actively seeking work in order to be eligible for UI benefits.

It is highly doubtful that local one-stop centers with multiple mandates could address the reemployment needs of UI claimants and the mandates of the UI law effectively. In addition, shifting the UI work test to one-stop centers, which private companies can operate, would privatize an important eligibility function for the UI program and set the stage for privatizing the administration of UI benefits. This is especially troubling in light of the importance of preserving the confidentiality of employer wage records.

Eliminating the Employment Service also advances a major objective of the Administration: the devolution of the federal unemployment insurance to the states, in effect ending this critical countercyclical program as a national system. Legislation to reduce the Federal Unemployment Tax (FUTA) by 75% over several years and turn the financing of UI operations back to the states has languished in Congress. H.R. 27 accomplishes one phase of this larger plan.

Block granting the dislocated and adult worker training programs with the ES eliminates the distinct objectives of each of these programs. Specifically, it ends targeted job training assistance for workers dislocated by off-shoring and other economic changes, pits different types of workers against each other, and it will lead to future funding reductions. It also replaces the current uniform statewide job service that matches employers and job seekers with a multiplicity of local programs that will have no incentive or ability to cooperate as a comprehensive labor exchange system.

AFSCME also strongly opposes provisions in H.R. 27 that give governors broad discretion to transfer resources from the WIA ''partner programs'' to pay for WIA infrastructure and core services costs.

By relying on funding transfers from these programs to guarantee resources for WIA infrastructure and core services, H.R. 27 will disrupt and weaken services provided by these non-WIA programs, which also will face substantial pressures for funding reductions in the next few years.

The infrastructure and related provisions begin the commingling of funds from these non-WIA programs and lay the foundation for future block granting of these programs. Any doubts that this is the long term objective should be dispelled by the Administration's current request to modify H.R. 27 to give governors authority to add up to five additional ''partner programs'' to the block grant created in the legislation (''WIA Plus''). These programs include vocational rehabilitation, trade adjustment assistance, veterans employment and training programs, adult education and food stamp employment and training programs.

In addition to the block grant strategy in the legislation, H.R. 27 includes new demonstration authority for the Department of Labor to operate ''personal reemployment account'' (PRA) demonstrations. The PRAs would cap the cost of training that unemployment insurance recipients can receive and bar them from receiving free WIA services for a year after the PRA account is established. They represent a further contraction in the assistance the federal government provides workers, and, since the Labor Department already is running an experiment in seven states, they are entirely unnecessary.

Finally, the proposed PRAs or vouchers are complemented by the repeal of longstanding civil rights protections that prohibit religious-based employment discrimination by job training providers. This rollback of civil rights protections, designed to advance direct government funding of pervasively religious institutions, overturns decades of consensus on the need for nondiscriminatory treatment in job training programs and should be rejected. We understand that Rep. Bobby Scott intends to offer an amendment that would restore to the bill the existing civil rights protections. We urge you to support this amendment.

In summary, H.R. 27 is a radical and partisan departure from previous workforce policy. It transforms the original one-stop idea of a better-coordinated workforce system into a mechanism for reducing resources and block granting programs in the future. It would undermine the role of Congress in national workforce policy, erode accountability for the expenditure of workforce funds, and retreat from important civil rights protections that have enjoyed bipartisan support for over 25 years. AFSCME strongly urges you to vote against H.R. 27.

Sincerely,

CHARLES M. LOVELESS,
Director of Legislation.

AMERICAN FEDERATION OF LABOR AND CONGRESS OF INDUSTRIAL ORGANIZATIONS,
Washington, DC, February 17, 2005.

Honorable JOHN BOEHNER,
Chairman, House Committee on Education and the Workforce, Washington, DC.

DEAR CHAIRMAN BOEHNER: On Thursday, February 17, the House Education and Workforce Committee will consider H.R. 27 to reauthorize the Workforce Investment Act. The AFL–CIO urges you to vote against this legislation, because it is a step backward in securing needed training and employment programs for our nation's unemployed and disadvantaged workers.

Good jobs that support families are the foundation of a strong economy and a strong nation, and creating and sustaining good jobs is the number one priority for Americans. Effective and meaningful job training programs and income support for jobless workers combined with job search assistance are key components of a comprehensive jobs strategy. H.R. 27 does nothing to create and sustain good jobs in America. At the same time it consolidates, block grants and cuts the funding for Workforce Investment Act programs designed to help unemployed workers and disadvantaged adults.

In particular, we are concerned about the following provisions in H.R. 27:

ELIMINATION OF THE EMPLOYMENT SERVICE

The AFL–CIO opposes repeal of the Wagner-Peyser Act, called for under H.R. 27. Repealing the Wagner-Peyser Act eliminates the 60-year-old United States Employment Service (ES), a federal-state partnership that maintains a nationwide, free, publicly administered labor exchange matching job seekers and employers. It is also the first step toward dismantling the critical and historic federal role in the nation's unemployment insurance (UI) system, turning it over entirely to the states. Repealing the Wagner-Peyser Act and block granting ES funds will reduce, privatize and voucherize free public labor exchange programs.

WIA BLOCK GRANT

H.R. 27 consolidates into a single block grant the WIA adult and dislocated worker programs with the Wagner-Peyser Employment Service program and reemployment services for unemployment insurance recipients. In doing so, it destroys both the dislocated worker program, which has provided assistance to experienced workers permanently dislocated from their jobs, and the statewide job service, which provides a uniform statewide system for matching employers and jobseekers. The block grant will pit different types of workers against each other for assistance and lead to future funding reductions.

INFRASTRUCTURE FUNDING

H.R. 27 gives Governors broad discretion to transfer additional resources from the WIA partner programs to pay for WIA infrastructure and WIA core services costs—without any assurance that more training would result. By relying on funding transfers from these programs, H.R. 27, guarantees WIA one-stop funding at the expense of disrupting and weakening services provided by these non-WIA programs. A more effective and simple solution to ensuring adequate training services would be to require that a certain percentage of WIA funds be used for training as provided in previous job training programs and to create a separate WIA funding stream for one-stop operations, if necessary.

PERSONAL REEMPLOYMENT ACCOUNTS

H.R. 27 includes a demonstration program for the Secretary to conduct ''Personal Reemployment Account'' (PRA) demonstrations even though the Department of Labor recently initiated a PRA demonstration without strong interest among the states. Unlike current WIA training programs, the PRAs would limit the cost of training that an unemployment insurance recipient can receive and would bar that individual from WIA training services for a year after the PRA account is established. This is the wrong way to go. With long-term unemployment at historically high levels, there is a much greater need for continued unemployment benefits for the long-term unemployed who have found it so difficult to become reemployed.

RELIGIOUS-BASED EMPLOYMENT DISCRIMINATION

We are particularly concerned that this legislation would remove key civil rights protections against religious discrimination in publicly-funded programs. H.R. 27 repeals longstanding civil rights protections that prohibit religious-based employment discrimination by job training providers.

FUNDING

Since taking office, President Bush has made real cuts in job training and assistance programs to help unemployed and underemployed workers, including Workforce Investment Act programs for adults and dislocated workers and the Employment Service. In inflation-adjusted dollars, these proposed cuts total almost $1.9 billion.

If implemented, the Bush WIA block grant proposals will cut $284 million in real dollars from WIA and Employment Service programs. If implemented, the new ''WIA Plus'' block grant proposal will cut $354 million in real dollars from current TAA, Vocational Rehabilitation, Adult Education, Veterans Training and Food Stamp Employment and Training Programs. The Bush block grant proposals will mean a total of $638 million in real cuts for existing programs.

''WIA PLUS'' PROPOSALS

Though not part of HR 27, at present, the Bush Administration has proposed a ''WIA Plus'' initiative that would allow Governors to merge five additional programs into the WIA block grant: Trade Adjustment Assistance; Vocational Rehabilitation; Food Stamps Employment and Training Programs; Adult Education and Veterans Employment and Training Programs.

The legislation allows the Governor to: Ignore the requirements of each statute authorizing these programs. Treat individuals in different parts of the state differently. Consolidate reporting so that no information or tracking is provided on the nature and extent of services to special groups.

The ''WIA Plus'' proposal should be opposed because it: Bypasses existing public administration requirements permitting these programs to be contracted out. Eliminates the obligation to provide long-term training and income support to workers whose jobs have been outsourced or lost to foreign trade. Eliminates job training and other workforce assistance to unemployed, disabled and homeless veterans and eliminates state veterans employment specialists and disabled veterans employment specialists. Eliminates the specialized counseling and customized help for the disabled provided through state vocational rehabilitation agencies. Forces those in need to compete for a declining share of resources. Contains no assurance that individuals will receive the same quality of service.

For all of these reasons the AFL–CIO urges you to vote against H.R. 27 and oppose any amendments that would implement the Bush Administration's ''WIA Plus'' program.

Sincerely,

WILLIAM SAMUEL,
Director, Department of Legislation.

HUMAN RIGHTS CAMPAIGN,
Washington, DC, March 2, 2005.

DEAR REPRESENTATIVE: On behalf of the more than 600,000 members of The Human Rights Campaign, we urge support for the Scott Amendment to the Job Training Improvement Act (HR 27) in order to protect workers against religious discrimination in federally-funded job training programs. This Amendment would restore current law and continue to protect critical civil rights protections thus preventing the alteration of a non discrimination policy that has been in place since it was signed into law by President Ronald Reagan. Passing this bill without such amendment will result in religious organizations being able to use Federal money to discriminate based on religion under this Act even when engaging in purely secular job training endeavors.

Absent the adoption of a civil rights amendment on the House floor, we urge you to vote ''No'' on final passage of H.R. 27.

The 1998 Workforce Investment Act consolidated earlier job-training programs and simply recodified the nondiscrimination provision included in the original Job Training Partnership Act of 1982. The 1998 legislation, which included this nondiscrimination provision, received strong bipartisan support from both the House and Senate at the time of its passage in the 105th Congress. Since its inclusion in the 1982 JTPA, it has enjoyed bipartisan support. This twenty-one year old provision has worked well since the inception of this program, allowing religious organizations to provide government-funded services while maintaining America's bedrock commitment to protecting both civil rights and religious liberty.

In general, we do not object to faith-based organizations providing employment-related services or other social services provided that public funds are not used to discriminate. However as the Nation's largest gay, lesbian, bisexual and transgender civil rights organization, we summarily oppose using Federal funds to discriminate on any basis, including religion, which we have witnessed used as a proxy for sexual orientation and gender identity discrimination.

We strongly urge you to support the Scott Amendment and oppose the unjustified rollback of civil rights protections currently found in H.R. 27. We believe that tax payers should never fund discrimination and urge your support in efforts to restore these important protections.

As always, should you have any questions please do not hesitate to contact Shelley Simpson at 202–216–1586.

Sincerely,

DAVID M. SMITH,
Vice President for Policy & Strategy.
CHRISTOPHER LABONTE,
Legislative Director.

THE COALITION AGAINST RELIGIOUS DISCRIMINATION,
February 23, 2005.

DEAR REPRESENTATIVE: We, the undersigned religious, civil rights, labor, education, health and advocacy organizations are writing to urge you to support Scott amendment to restore critical civil rights protections to the Job Training Improvement Act (H.R. 27), in order to protect workers against religious discrimination in federally-funded job training programs. Since their inception in 1982, these job-training programs have included important civil rights protections against employment discrimination based on religion in programs that receive federal funds. Absent the adoption of a civil rights amendment on the House floor, we urge you to vote ''No'' on final passage of H.R. 27.

The 1998 Workforce Investment Act consolidated these earlier job-training programs and simply recodified the nondiscrimination provision included in the original Job Training Partnership Act of 1982. The 1998 legislation, which included this nondiscrimination provision, received strong bipartisan support from both the House and Senate at the time of its passage in the 105th Congress. Since its inclusion in the 1982 JTPA, it has enjoyed bipartisan support. The original Job Training Partnership Act was sponsored by then Senator Dan Quayle, and was reported out of the Senate Labor and Human Resources Committee then chaired by Senator Orrin Hatch. Finally, President Ronald Reagan signed into law the Job Training Partnership Act, which contains the very same civil rights provision that H.R. 27 now seeks to repeal as it applies to religious organizations. This 23 year old provision has worked well since the inception of this program, allowing religious organizations to provide government-funded services while maintaining America's bedrock commitment to protecting both civil rights and religious liberty.

We strongly urge you to support the Scott civil rights amendment to H.R. 27 to restore current civil rights law and to oppose the unjustified and unnecessary assault in H.R. 27 on our nation's commitment to eradicating employment discrimination in government-funded jobs.

Sincerely,

AFL–CIO.
American Association of University Women.
American Civil Liberties Union.
American Counseling Association.
American Federation of State, County and Municipal Employees (AFSCME), AFL–CIO.
American Federation of Teachers.
American Humanist Association.
American Jewish Committee.
American Jewish Congress.
Americans for Religious Liberty.
Americans United for Separation of Church and State.
Anti-Defamation League.
Baptist Joint Committee on Public Affairs.
Central Conference of American Rabbis.
Episcopal Church, USA.
Equal Partners in Faith.
Frances Kissling, Catholics for a Free Choice.
General Board of Church and Society of The United Methodist Church.
Hadassah, the Women's Zionist Organization of America.
Human Rights Campaign.
Leadership Conference on Civil Rights.
Legal Momentum (formerly NOW Legal Defense).
NAACP.
National Association of Social Workers.
National Council of Jewish Women.
National Education Association.
National Head Start Association.
National PTA.
OMB Watch.
People For the American Way.
Presbyterian Church (USA), Washington Office.

Service Employees International Union SEIU, AFL–CIO.
Texas Faith Network.
Texas Freedom Network.
The Interfaith Alliance.
The Secular Coalition for America.
Union for Reform Judaism.
Unitarian Universalist Association of Congregations.
United Auto Workers.
United Church of Christ Justice & Witness Ministries.
Women of Reform Judaism.

BAPTIST JOINT COMMITTEE,
Washington, DC, February 25, 2005.

DEAR REPRESENTATIVE: This week you will be asked to consider the Job Training and Improvement Act (H.R. 27). We write to request your support for the Scott amendment to restore critical civil rights protections. Without the adoption of this amendment, we urge you to reject this legislation because it would allow religious employment discrimination in positions funded with federal dollars.

Some religious organizations qualify for an exemption to the ban on religious discrimination in Title VII of the Civil Rights Act of 1964. We support Title VII's exemption for churches and other religious organizations. This exemption, when applied to privately funded activities and enterprises, appropriately protects the church's autonomy and its ability to perform its mission. Courts have interpreted this exemption not only to apply to clergy, but also to all of the religious organization's employees including support staff, and not only to religious affiliations, but also to religious beliefs and practices. While we support this exemption, we oppose its application in a publicly funded context.

Without the Scott civil rights amendment, H.R. 27 would allow tax-funded employment discrimination on the basis of religion. Allowing government to subsidize religious discrimination with tax dollars is arguably unconstitutional, and in any case, an unconscionable advancement of religion that simultaneously turns back the clock on civil rights.

Religion has flourished in this country since its founding precisely because the institutional spheres of church and state have operated separately. This type of legislation violates the separation of church and state and, therefore, threatens religion. We ask you to oppose H.R. 27 and provide protections from religious employment discrimination in federally funded job training programs.

Sincerely,

K. HOLLYN HOLLMAN.

AFRICAN AMERICAN MINISTERS,
Washington, DC, February 25, 2005.

House of Representatives,
Washington, DC.

DEAR MEMBER OF CONGRESS: As pastors and leaders of predominately African American congregations across the country, we urge you to protect the civil rights and religious freedom of all Americans and oppose the discriminatory provisions in the Job Training Improvement Act (H.R. 27). African American religious leaders and activists have worked tirelessly over the past decades to ensure civil rights protections. However, this bill would repeal these longstanding civil rights protections designed to protect workers against religious discrimination in federally-funded job training programs.

We believe that maintaining the separation between church and state is fundamental to maintaining the religious freedoms of all Americans. Therefore, as leaders of our respective congregations, we cannot compromise our principles by supporting legislation that allows religiously-affiliated organizations, to discriminate with Federal taxpayers' dollars. The role of the church is to promote our religious teachings, and this should not be confused with religious intolerance or discrimination.

Since 1982, anti-discrimination requirements have been included in the Job Training Partnership Act, re-titled the Workforce Investment Act in 1998. It is important to recognize that religiously affiliated organizations have not requested an exemption. Furthermore, there is no need to exempt religious organizations from these anti-discrimination laws. Houses of worship can create independent 501(c)(3) organizations in order to separate religious content from the provision of services. This allows our religious organizations to maintain their religious identity without government interference, while also providing needed services in the community.

Not only is the exemption in H.R. 27 unnecessary, it is also detrimental to the fundamental protections against discrimination based on one's religion that are absolutely central to our democracy. The current language in H.R. 27 does not protect the civil rights cherished in our communities, but instead encourages federally-funded discrimination.

For these reasons, we ask that you prevent unnecessary and unacceptable religious discrimination and show your commitment to upholding critical civil rights protections within H.R. 27.

Sincerely,

Reverend TIMOTHY MCDONALD.

BOARD MEMBERS

Rev. Wendell Anthony, Fellowship Chapel United Church of Christ, Detroit, MI.
Rev. Dr. FLoyd W. Davis, High Street Baptist Church, Roanoke, VA.
Elder Kevin A. Ford, St. Paul UCGC, Chicago, IL.
Rev. Julius C. Hope, New Grace Missionary Baptist Church, Highland Park, MI.
Rev. Dr. Arnold W. Howard, Enon Baptist Church, Baltimore, MD.
Rev. Leonard B. Jackson, First A.M.E. Church, Los Angeles, CA.
Rev. Dr. Clarence Pemberton, Jr., The New Hope Baptist Church, Philadelphia, PA.
Rev. James B. Sampson, First New Zion Missionary Baptist Church, Jacksonville, FL.
Rev. L. Charles Stovall, Camp Wisdom UMC, Dallas, TX.
Rev. Dr. Rolen Womack, Jr., Progressive Baptist Church, Milwaukee, WI.
Rev. Albert Love, Love In Action Ministries, 5410 Skyview Drive, SW., Atlanta, GA.
Rev. Robert Shine, Berachah Baptist Church, 2043 Eastburn Ave., Philadelphia, PA.

AMERICAN CIVIL LIBERTIES UNION,
Washington, DC, February 25, 2005.

Re the Job Training Improvement Act (H.R. 27) Creates an Unconstitutional Loophole Allowing Government-Funded Religious Discrimination.

DEAR REPRESENTATIVE: The American Civil Liberties Union strongly urges you to support the Scott amendment to the Job Training Improvement Act (H.R. 27) to restore current law and to continue to defend critical civil rights protections designed to protect employees against religious discrimination in federally-funded job training programs. Since their inception in 1982, these federally-funded job training programs have included important civil rights protections against employment discrimination. H.R. 27 will create an unconstitutional loophole to the enforcement of this longstanding prohibition against government-funded religious discrimination in Federal job training programs.

H.R. 27 CHANGES LONGSTANDING CIVIL RIGHTS LAW THAT WAS NEVER CONTROVERSIAL

H.R. 27 explicitly authorizes federally-funded religious organizations receiving funds from the Act's job training programs to discriminate against their employees based on religion. Current law prohibits participants in Federal job training programs from discriminating based on race, color, religion, sex, national origin, age, disability, or political affiliation or belief. 29 U.S.C. 2938 (a)(2). H.R. 27 would allow taxpayer dollars to fund religious organizations that discriminate against their employees in the delivery of federally-funded services.

The civil rights provision barring federally-funded religious discrimination has never been controversial. In fact, the provision was first included in the Federal job training legislation that then-Senator Dan Quayle sponsored, which passed through a committee chaired by Senator Orrin Hatch, and was signed by President Ronald Reagan. Throughout its 21-year history, the civil rights provision has not been an obstacle to the participation of religiously-affiliated organizations in Federal job training programs. In fact, many religiously-affiliated organizations participate in the programs and comply with the same civil rights provision that apply to everyone else.

THERE IS LITTLE SUPPORT FOR THE ANTI-CIVIL RIGHTS PROVISION IN THE SENATE

In the 108th Congress, the Senate passed its version of the faith-based initiative after stripping out any provisions that could have created any special advantages for federally-funded religious organizations. The sponsors of the legislation realized that a majority of the Senate supported the eradication of religious discrimination in federally-funded employment positions—and did not want to roll-back any civil rights protections. The civil rights community joins a significant portion of the religious community in urging the House to make the same decision to oppose Federal taxpayer support for religious discrimination by federally-funded employers.

H.R. 27 WOULD REVERSE THE GOVERNMENT'S LONG STANDING PROTECTION AGAINST FEDERALLY FUNDED DISCRIMINATION

H.R. 27 attacks the very core of civil rights protections historically supported by the federal government. More than 60 years ago, one of the first success of the modern civil rights movement was a decision by President Franklin Roosevelt to bar federal contractors from discriminating based on race, religion, or national origin. From that first presidential decision through the Supreme Court's decision allowing the Federal government to deny special tax advantages to Bob Jones University, which claimed a religious right to retain the tax benefits while pursuing racist practices, the Federal government has made the eradication of federally funded discrimination among its highest priorities.

In Bob Jones Univ. v. United States, 461 U.S. 574 (1983), the Supreme Court held that Federal government could deny a religiously-run university tax benefits because

the university imposed a racially discriminatory anti-miscegenation policy. Id. at 605. The Court decided that the Federal government's compelling interest in eradicating racial discrimination in education superceded any burden on the university's religious exercise of enforcing a religiously-motivated ban on students interracial dating. Id. at 604.

H.R. 27 would allow a religious organization, such as Bob Jones University, that discriminates based on religion, to participate in Federal job training programs. In a disturbing result, Bob Jones University could be denied tax benefits because of its racist policies toward its students, but could receive Federal job training money under H.R. 27 to discriminate against employees working in the Federal job training program—simply because the employees do not meet Bob Jones University's religious tests. Moreover, in the many religious organizations in which most, if not all, of the adherents are of a single race, the result of federally-funded religious discrimination will effectively be federal funds going to the employment of persons of a single race.

The Federal government clearly has a compelling interest in applying the Workforce Investment Act's current civil rights provision to everyone receiving federal funds—including religious organizations seeking to discriminate on the basis of religion in hiring persons to work in Federal job training programs. H.R. 27 is inconsistent with the leading Supreme Court case on the use of federal funds by religious organizations that discriminate.

There is no meaningful difference between the government prohibiting tax benefits to organizations that discriminate based on race and the Workforce Investment Act's statutory prohibition on discrimination based on religion in Federal job training programs. In fact, the United States itself—during the current Administration—squarely rejected the proposition that intentional religious discrimination gets less protection under the Equal Protection Clause than intentional racial discrimination. In its October 26, 2001 brief defending the religion prong of Title VII from an Eleventh Amendment attack, the United States stated that ''[c]ontrary to Defendant's contention that the Supreme Court has 'distinguished claims involving differential treatment on the basis of race and speech from those involving religion,' there can be no doubt that the Equal Protection Clause subjects State governments engaging in intentional discrimination on the basis of religion to strict scrutiny.'' Brief of Intervenor United States in Endres v. Indiana State Police (N.D. Ind. Oct. 26, 2001) (brief is available on *www.usdoi.gov*). Congress should not now take the position that it cannot or will not enforce a civil rights ban on federal funds going to an organization claiming a right to discriminate based on religion when the Supreme Court specifically authorized the United States to enforce a civil rights ban on federal tax benefits going to an organization making a directly analogous religious exercise claim to discriminate based on race. Thus, the sponsors' statement that the Congress has no duty to fully enforce the nondiscrimination statute is contrary to law—and abandons one of the seminal decisions in civil rights, namely Bob Jones Univ.

H.R. 27 IS UNCONSTITUTIONAL

H.R. 27 abets unconstitutional employment discrimination based on religion. Its exemption of religious organizations from the prohibition on religious discrimination in the program is contrary to constitutional law and will open the door to government-funded discrimination.

Proponents of allowing religious organizations to use Federal funds to discriminate against their employees argue that their position is consistent with a provision in Title VII of the Civil Rights Act of 1964 that generally permits religious organizations to prefer members of their own religion when making employment decisions. However, that provision does not consider whether federally-funded religious groups can discriminate with federal taxpayer dollars. Moreover, although the Supreme Court upheld the constitutionality of the religious organization exemption in Title VII, Corporation of Presiding Bishop v. Amos, 483 U.S. 327, 336–39 (1987), the Court has never considered whether it is unconstitutional for a religious organization to discriminate based on religion when making employment decisions in programs that the government finances to provide governmental services.

Several courts have considered whether a religious organization can retain its Title VII exemption after receipt of indirect Federal funds, *e.g.*, Siegel v. Truett-McConnell College, Inc., 13 F. Supp.2d 1335, 1344 (N.D. Ga. 1994) (clarifying that its decision permitting a religious university to invoke the Title VII exemption is because the government aid is directed to the students rather than the employer), but only one federal court has decided the constitutionality of retaining the Title VII exemption after receipt of direct Federal funds, Dodge v. Salvation Army, 1989 WL 53857 (S.D. Miss. 1989). In that decision, the court held that the religious employer's claim of its Title VII exemption for a position ''substantially, if not exclusively'' funded with government money was unconstitutional because it had ''a primary effect of advancing religion and creating excessive government entanglement.'' Id. The analysis applied by the court in Dodge should apply with equal force to the Workforce Investment Act programs that would provide direct Federal funds to religious organizations.

In addition to causing the Establishment Clause violation cited by the court in Dodge, H.R. 27 would also subject the government and any religious employer invoking the right to discriminate with Federal dollars to liability for violation of constitutional rights under the Free Exercise Clause and the Equal Protection Clause. Although mere receipt of government funds is insufficient to trigger constitutional obligations on private persons, a close nexus between the government and the private person's activity can result in the courts treating the private person as a state actor. Rendell-Baker v. Kohn, 457 U.S. 830 (1982).

It is beyond question that the government itself cannot prefer members of a particular religion to work in a federally-funded program. The Equal Protection Clause subjects governments engaging in intentional discrimination on the basis of religion to strict scrutiny. *E.g.*, United States v. Batchelder, 442 U.S. 114, 125 n.9 (1979); City of New Orleans v. Dukes, 427 U.S. 297, 303 (1976). No government could itself engage in the religious discrimination in employment accommodated and encouraged by the proposed rule's employment provision. Thus, the government would be in violation of the Free Exercise Clause and the Equal Protection Clause for knowingly funding religious discrimination.

Of course, a private organization is not subject to the requirements of the Free Exercise Clause and the Equal Protection Clause unless the organization is considered a state actor for a specific purpose. West v. Atkins, 487 U.S. 42, 52 (1988). The Supreme Court recently outlined the conditions necessary to establish that there is a sufficient nexus between the government and the private person to find that the private person is a state actor for purposes of compliance with constitutional requirements on certain decisions made by participants in the government program:

[S]tate action may be found if, though only if, there is such a 'close nexus between the State and the challenged action' that seemingly private behavior 'may be fairly treated as that of the State itself.' . . . We have, for example, held that a challenged activity may be state action when it results from the State's exercise of 'coercive power,' when the state provides 'significant encouragement, either overt or covert,' or when a private actor operates as a 'willful participant in joint activity with the State or its agents' . . .

Brentwood Academy v. Tennessee Secondary School Athletic Association, 121 S. Ct. 924, (2001) (citations omitted).

The extraordinary role that the current Administration—and the sponsors of H.R. 27—have taken in accommodating, fostering, and encouraging religious organizations to discriminate based on religion when hiring for federally-funded programs creates the nexus for constitutional duties to be imposed on the provider, in addition to the requirements already placed on government itself. The clear intent of the change in the civil rights provision in the Workforce Investment Act is to encourage certain providers receiving federal funds to discriminate based on religion.

The H.R. 27 provision allowing government-funded religious discrimination is part of a growing pattern of congressional, presidential, and regulatory actions taken specifically for the purpose of accommodating, fostering, and encouraging federally-funded private organizations to discriminate in ways that would unquestionably be unconstitutional if engaged in by the federal government itself. For example, in December of last year, President Bush signed Executive Order 13279, which amended an earlier executive order, which had provided more than 60 years of protection against discrimination based on religion by federal contractors. The Bush Order provides an exemption for religious organizations contracting with the government to discriminate in employment based on religion. In addition, the federal government is simultaneously proposing regulations to allow religious organizations to discriminate based on religion in employment for federal programs involving substance abuse counseling, welfare reform, housing, and veterans benefits.

Although religious employers enjoy an exemption from Title VII allowing them to apply religious tests when hiring for positions funded with their own money, the Constitution requires that direct receipt and administration of federal funds removes that exemption. In addition, the federal government itself has constitutional obligations to refrain from religious discrimination or from establishing a religion. H.R. 27 fails to meet any of those constitutional mandates.

For these reasons, the ACLU strongly urges you to support the Scott amendment to H.R. 27. Thank you for your attention to this matter, and please do not hesitate to call Terri Schroeder at 202–675–2324 if you have any questions regarding this issue.

Sincerely,

LAURA W. MURPHY,

Director.
TERRI A. SCHROEDER,
Senior Lobbyist.

AMERICANS UNITED FOR SEPARATION OF CHURCH AND STATE,
Washington, DC, February 24, 2005.

DEAR REPRESENTATIVE: Americans United for Separation of Church and State strongly urges you to support the Scott amendment to the Job Training Improvement Act (H.R. 27). The Scott amendment would restore longstanding civil rights protections in the Workforce Investment Act (''WIA''), which guards workers against discrimination in WIA-funded job training programs. Absent adoption of the Scott Amendment on the House floor, Americans United strongly urges you to vote ''No'' on final passage of H.R. 27.

Americans United represents more than 75,000 individual members throughout the fifty states, as well as cooperating houses of worship and other religious bodies committed to the preservation of religious liberty. The civil rights rollback contained in H.R. 27 would allow religious organizations operating government-funded programs under WIA to discriminate in employment on the basis of religion, religious practice, or religious beliefs. H.R. 27 thus has serious implications for the protection of civil rights and religious liberty, and must be opposed.

Section 128 of H.R. 27, entitled ''Non-Discrimination,'' exempts religious organizations that receive Federal funds from the prohibition against discrimination on the basis of religion that is standard practice for all other organizations receiving funding under WIA. Since its inception in 1982, when it was called the Job Training Partnership Act (''JTPA''), this program has served as the largest federal employment training service in the nation, serving dislocated workers, homeless individuals, economically disadvantaged adults, youth and older workers. When signed into law by President Ronald Reagan, this program contained the very language protecting against religious discrimination that H.R. 27 seeks to repeal as to religious organizations.

The 1998 WIA consolidated these earlier job-training programs and simply recodified the nondiscrimination provision included in the original JTPA. The 1998 legislation, which included this nondiscrimination provision, received strong bipartisan support from both the House and Senate at the time of its passage in the 105th Congress. The original JTPA was sponsored by then-Senator Dan Quayle, and was reported out of the Senate Labor and Human Resources Committee then chaired by Senator Orrin Hatch. Since its inclusion in the 1982 JTPA, it has enjoyed bipartisan support. This 23-year-old provision has worked well since the inception of this program, allowing religious organizations to provide government-funded services while maintaining America's bedrock commitment to protecting both civil rights and religious liberty.

Americans United strongly urges you to support the Scott amendment and to oppose the unjustified and unnecessary assault in H.R. 27 on our nation's longstanding commitment to eradicating employment discrimination in government-funded jobs. If you have any questions about H.R. 27 or would like further information on any other issue of importance to Americans United, please do not hesitate to contact Aaron D. Schuham, Legislative Director, at (202) 466–3234, extension 240.

Sincerely,

REV. BARRY W. LYNN,
Executive Director.

Ms. MCCOLLUM of Minnesota. Mr. Chairman, I rise in opposition to H.R. 27, the so-called Job Training Improvement Act of 2005.

Millions of Americans are unemployed today and finding it harder to get a job. According to the Minnesota Department of Employment and Economic Development, job seekers in Minnesota still out-number unfilled jobs by two-to-one.

Unfortunately, H.R. 27 does nothing to put people back to work. It doesn't shorten the lists of people waiting to use the resources at my one stops. It won't meet the needs of the approximately 8,000 Minnesota youth who can't get WIA job-related services every year. Instead, this bill unravels the very programs that ensure these workers have the skills and training they need to find high paying, long-term jobs.

H.R. 27 eliminates targeted programs designed to help both dislocated workers and unemployed adults find a job. It block grants dedicated assistance forcing low-income workers and welfare recipients to compete with dislocated workers for the same limited federal resources.

This bill eliminates dedicated funding for job search services, like Minnesota's Job Bank, which assists thousands of Minnesotans. This funding supports a rapid response system that meets the immediate needs of workers affected by mass layoffs. These changes threaten to break apart Minnesota's statewide workforce development system at the very time when these services are needed most to help unemployed workers find jobs.

In addition, H.R. 27 does nothing to ensure that these limited funds are used for training. It allows governors to take money away from adult education and veterans' job programs and use it to cover bureaucratic costs. Sadly, it also restricts youth funding to out-of-school youth. This will devastate the Building Lives Program, which Ramsey County uses to provide job training services to troubled teens during school hours.

Most concerning, however, is that this bill repeals basic civil rights protections for employees of job training programs by allowing organizations that receive Federal job-training funds to discriminate on the basis of religion.

I speak as a person who was brought up by a Lutheran mother and a Catholic father. I remember when my mother went to church to see her little girl receive her first communion and wasn't made to feel welcome. I don't want to go back to those days. I don't want the children I represent to know how it feels to be kept from fulfilling their dreams or meet their potential because someone doesn't like the church, mosque or synagogue you attend. Yet, this bill leads our country in that direction.

Mr. Chairman, I strongly believe that we must strengthen our workforce investment system to help Minnesotans get back to work. H.R. 27, however, fails to meet that goal and at the same time encourages rolling back civil rights protections. I urge my colleagues to reject this bill today.

Mr. ANDREWS. Mr. Chairman, while I did not support the Workforce Investment Act Reauthorization bill that was passed by this body, I would like to thank Chairman BOEHNER, as well as the Republican and Democratic Committee staffs, for assisting me in adding two significant amendments to the bill.

The first of these amendments relates to domestic microcredit, and ensures that local one-stop centers may use funding to provide information about the benefits of microcredit lending, and the local institutions that provide such loans, to individuals partaking in entrepreneurial training. The second amendment creates a demonstration project which will provide funds to industry consortia for the purpose of workforce training and development. Businesses, institutions of higher education, employee representatives, and workforce development community-based organizations within an industry will be able to join together to identify and address workforce needs within their given industry. These funds can be used to advance worker skills, conduct analyses of skill deficiencies and plans to address them, and develop rigorous training and education programs related to employment in high-growth, high-wage industries. The amendment creates a ''win-win'' for employers and employees, as it would help employers improve their workforce, and allow employees to obtain the skills necessary to advance their careers.

Again, I feel strongly that these amendments will result in positive changes to current law, and I thank Chairman BOEHNER as well as the Republican and Democratic staffs of the Education and the Workforce Committee for their assistance.

Mr. BOEHNER. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the committee amendment in the nature of a substitute printed in the bill shall be considered as an original bill for the purpose of amendment under the 5-minute rule and shall be considered read.

The text of the committee amendment in the nature of a substitute is as follows:

H.R. 27

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Job Training Improvement Act of 2005''.

SEC. 2. TABLE OF CONTENTS.

SEC. 3. REFERENCES.

Except as otherwise expressly provided, wherever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the amendment or repeal shall be considered to be made to a section or other provision of the Workforce Investment Act of 1998 (20 U.S.C. 9201 et seq.).

TITLE I—AMENDMENTS TO TITLE I OF THE WORKFORCE INVESTMENT ACT OF 1998

SEC. 101. DEFINITIONS.

Section 101 (29 U.S.C. 2801) is amended—

(1) by striking paragraphs (13) and (24) and redesignating paragraphs (1) through (12) as paragraphs (3) through (14), and paragraphs (14) through (23) as paragraphs (15) through (24), respectively;

(2) by inserting after ''In this title:'' the following new paragraphs:

''(1) ACCRUED EXPENDITURES.—The term 'accrued expenditures' means charges incurred by recipients of funds under this title for a given period requiring the provision of funds for goods or other tangible property received; services performed by employees, contractors, subgrantees, and other payees; and other amounts becoming owed under programs assisted under this title for which no current services or performance is required, such as annuities, insurance claims, and other benefit payments.

''(2) ADMINISTRATIVE COSTS.—The term 'administrative costs' means expenditures incurred by State and local workforce investment boards, direct recipients (including State grant recipients under subtitle B and recipients of awards under subtitle D), local grant recipients, local fiscal agents or local grant subrecipients, and one-stop operators in the performance of administrative functions and in carrying out activities under this title which are not related to the direct provision of workforce investment services (including services to participants and employers). Such costs include both personnel and nonpersonnel and both direct and indirect.'';

(3) in paragraph (6) (as so redesignated), by inserting ''(or such other level as the Governor may establish)'' after ''8th grade level'';

(4) in paragraph (10) (as so redesignated)—

(A) in subparagraph (B), by striking ''and'' after the semicolon;

(B) in subparagraph (C)—

(i) by striking ''not less than 50 percent of the cost of the training'' and inserting ''a significant portion of the cost of training, as determined by the local board''; and

(ii) by striking the period and inserting ''; and''; and

(C) by adding at the end the following:

''(D) in the case of customized training with an employer in multiple local areas in the State, for which such employer pays a significant portion of the cost of the training, as determined by the Governor.'';

(5) in paragraph (11)(A)(ii)(II) (as so redesignated) by striking ''section 134(c)'' and inserting ''section 121(e)'';

(6) in paragraph (14)(A) (as so redesignated) by striking ''section 122(e)(3)'' and inserting ''section 122'';

(7) in paragraph (25)—

(A) in subparagraph (B), by striking ''higher of—'' and all that follows through clause (ii) and inserting ''poverty line for an equivalent period;''; and

(B) by redesignating subparagraphs (D) through (F) as subparagraphs (E) through (G), respectively, and inserting after subparagraph (C) the following:

''(D) receives or is eligible to receive free or reduced price lunch under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.);'';

(8) in paragraph (32) by striking ''the Republic of the Marshall Islands, the Federated States of Micronesia,''; and

(9) by striking paragraph (33) and redesignating paragraphs (34) through (53) as paragraphs (33) through (52), respectively.

SEC. 102. PURPOSE.

Section 106 (29 U.S.C. 2811) is amended by inserting at the end the following: ''It is also the purpose of this subtitle to provide workforce investment activities in a manner that promotes the informed choice of participants and actively involves participants in decisions affecting their participation in such activities.''.

SEC. 103. STATE WORKFORCE INVESTMENT BOARDS.

(a) MEMBERSHIP.—

(1) IN GENERAL.—Section 111(b) (29 U.S.C. 2821(b)) is amended—

(A) by amending paragraph (1)(C) to read as follows:

''(C) representatives appointed by the Governor, who are—

''(i)(I) the lead State agency officials with responsibility for the programs and activities that are described in section 121(b) and carried out by one-stop partners;

''(II) in any case in which no lead State agency official has responsibility for such a program or activity, a representative in the State with expertise relating to such program or activity; and

''(III) if not included under subclause (I), the director of the State unit, defined in section 7(8)(B) of the Rehabilitation Act of 1973 (29 U.S.C. 705(8)(B)) except that in a State that has established 2 or more designated State units to administer the vocational rehabilitation program, the board representative shall be the director of the designated State unit that serves the most individuals with disabilities in the State;

''(ii) the State agency officials responsible for economic development;

''(iii) representatives of business in the State who—

''(I) are owners of businesses, chief executive or operating officers of businesses, and other business executives or employers with optimum policy making or hiring authority, including members of local boards described in section 117(b)(2)(A)(i);

''(II) represent businesses with employment opportunities that reflect employment opportunities in the State; and

''(III) are appointed from among individuals nominated by State business organizations and business trade associations;

''(iv) chief elected officials (representing both cities and counties, where appropriate);

''(v) representatives of labor organizations, who have been nominated by State labor federations; and

''(vi) such other representatives and State agency officials as the Governor may designate.''; and

(B) in paragraph (3), by striking ''paragraph (1)(C)(i)'' and inserting ''paragraph (1)(C)(iii)''.

(2) CONFORMING AMENDMENT.—Section 111(c) (29 U.S.C 2811(c)) is amended by striking ''subsection (b)(1)(C)(i)'' and inserting ''subsection (b)(1)(C)(iii)''.

(b) FUNCTIONS.—Section 111(d) (29 U.S.C. 2811(d)) is amended—

(1) in paragraph (2), by striking ''section 134(c)'' and inserting ''section 121(e)'';

(2) by amending paragraph (3) to read as follows:

''(3) development and review of statewide policies affecting the integrated provision of services through the one-stop delivery system described in section 121, including—

''(A) the development of criteria for, and the issuance of, certifications of one-stop centers;

''(B) the criteria for the allocation of one-stop center infrastructure funding under section 121(h), and oversight of the use of such funds;

''(C) approaches to facilitating equitable and efficient cost allocation in one-stop delivery systems; and

''(D) such other matters that may promote statewide objectives for, and enhance the performance of, one-stop delivery systems within the State;'';

(3) in paragraph (4), by inserting ''and the development of State criteria relating to the appointment and certification of local boards under section 117'' after ''section 116'';

(4) in paragraph (5), by striking ''sections 128(b)(3)(B) and 133(b)(3)(B)'' and inserting ''sections 128(b)(3) and 133(b)(3)''; and

(5) in paragraph (9), by striking ''section 503'' and inserting ''section 136(i)''.

(c) ELIMINATION OF ALTERNATIVE ENTITY AND PROVISION OF AUTHORITY TO HIRE STAFF.—Section 111(e) (29 U.S.C. 2821(e)) is amended to read as follows:

''(e) AUTHORITY TO HIRE STAFF.—The State board may hire staff to assist in carrying out the functions described in subsection (d).''.

SEC. 104. STATE PLAN.

(a) PLANNING CYCLE.—Section 112(a) (29 U.S.C. 2822(a)) is amended by striking ''5-year strategy'' and inserting ''2-year strategy''.

(b) CONTENTS.—Section 112(b) (29 U.S.C. 2822(b)) is amended—

(1) in paragraph (12)(A), by striking ''sections 128(b)(3)(B) and 133(b)(3)(B)'' and inserting ''sections 128(b)(3) and 133(b)(3)'';

(2) in paragraph (14), by striking ''section 134(c)'' and inserting ''section 121(e)'';

(3) in paragraph (17)(A)—

(A) in clause (iii) by striking ''and'';

(B) by amending clause (iv) to read as follows:

''(iv) how the State will serve the employment and training needs of dislocated workers (including displaced homemakers and formerly self-employed and transitioning farmers, ranchers, and fisherman) low income individuals (including recipients of public assistance), individuals with limited English proficiency, homeless individuals, ex-offenders, individuals training for nontraditional employment, and other individuals with multiple barriers to employment (including older individuals); and''; and

(C) by inserting after clause (iv) the following:

''(v) how the State will serve the employment and training needs of individuals with disabilities, consistent with section 188 and Executive Order 13217 (42 U.S.C. 12131 note; relating to community-based alternatives for individuals with disabilities) including the provision of outreach, intake, assessments, and service delivery, the development of performance measures, the training of staff, and other aspects of accessibility to program services, consistent with sections 504 and 508 of the Rehabilitation Act of 1973; and'';

(4) in paragraph (18)(D), by striking ''youth opportunity grants'' and inserting ''youth challenge grants''; and

(5) by adding at the end the following new paragraphs:

''(19) a description of the methodology for determining one-stop partner program contributions for the cost of the infrastructure of one-stop centers under section 121(h)(1) and of the formula for allocating such infrastructure funds to local areas under section 121(h)(3); and

''(20) a description of any programs and strategies the State will utilize to meet the needs of businesses in the State, including small businesses, which may include providing incentives and technical assistance to assist local areas in engaging employers in local workforce development activities.''.

(c) MODIFICATION TO PLAN.—Section 112(d) (29 U.S.C. 2822(d)) is amended by striking ''5-year period'' and inserting ''2-year period''.

SEC. 105. LOCAL WORKFORCE INVESTMENT AREAS.

(a) DESIGNATION OF AREAS.—

(1) CONSIDERATIONS.—Section 116(a)(1)(B) (29 U.S.C. 2831(a)(1)(B)) is amended by adding at the end the following clause:

''(vi) The extent to which such local areas will promote efficiency in the administration and provision of services.''.

(2) AUTOMATIC DESIGNATION.—Section 116(a)(2) (29 U.S.C. 2831(a)(2)) is amended to read as follows:

''(2) AUTOMATIC DESIGNATION.—

''(A) IN GENERAL.—Except as provided in subparagraph (B) of this paragraph and subsection (b), the Governor shall approve a request for designation as a local area from—

''(i) any unit of general local government with a population of 500,000 or more; and

''(ii) an area served by a rural concentrated employment program grant recipient that served as a service delivery area or substate area under the Job Training Partnership Act (29 U.S.C. 1501 et seq.),

for the 2-year period covered by a State plan under section 112 if such request is made not later than the date of the submission of the State plan.

''(B) CONTINUED DESIGNATION BASED ON PERFORMANCE.—The Governor may deny a request for designation submitted pursuant to subparagraph (A) if such unit of government was designated as a local area for the preceding 2-year period covered by a State plan and the Governor determines that such local area did not perform successfully during such period.''.

(b) REGIONAL PLANNING.—Section 116(c)(1) (29 U.S.C. 2831(c)(1)) is amended by adding at the end the following: ''The State may require the local boards for the designated region to prepare a single regional plan that incorporates the elements of the local plan under section 118 and that is submitted and approved in lieu of separate local plans under such section.''.

SEC. 106. LOCAL WORKFORCE INVESTMENT BOARDS.

(a) COMPOSITION.—Section 117(b)(2)(A) (29 U.S.C. 2832(b)(2)(A)) is amended—

(1) in clause (i)(II), by inserting '', businesses that are in the leading industries in the local area, and large and small businesses in the local area'' after ''local area'';

(2) by amending clause (ii) to read as follows:

''(ii) a superintendent of the local secondary school system, an administrator of an entity providing adult education and literacy activities that is not a one-stop partner designated under section 121(b)(1)(B), and the president or chief executive officer of a postsecondary educational institution serving the local area (including community colleges, where such entities exist);'';

(3) in clause (iv), by striking the semicolon and inserting ''and faith-based organizations; and''; and

(4) by striking clause (vi).

(b) AUTHORITY OF BOARD MEMBERS.—Section 117(b)(3) (29 U.S.C. 2832(b) is amended—

(1) in the heading, by inserting ''AND REPRESENTATION'' after ''MEMBERS''; and

(2) by adding at the end the following: ''The members of the board shall represent diverse geographic sections within the local area.''.

(c) FUNCTIONS.—Section 117(d) (29 U.S.C. 2832(d)) is amended—

(1) in paragraph (2)(B), by striking ''by awarding grants'' and all that follows through ''youth council''; and

(2) in paragraph (4) by inserting '', and ensure the appropriate use and management of the funds provided under this title for such programs, activities, and system'' after ''area''.

(d) AUTHORITY TO ESTABLISH COUNCILS AND ELIMINATION OF REQUIREMENT FOR YOUTH COUNCILS.—Section 117(h) (29 U.S.C. 2832(h)) is amended to read as follows:

''(h) ESTABLISHMENT OF COUNCILS.—The local board may establish councils to provide information and advice to assist the local board in carrying out activities under this title. Such councils may include a council composed of one-stop partners to advise the local board on the operation of the one-stop delivery system, a youth council composed of experts and stakeholders in youth programs to advise the local board on activities for youth, and such other councils as the local board determines are appropriate.''.

(e) REPEAL OF ALTERNATIVE ENTITY PROVISION.—Section 117 (29 U.S.C. 2832) is further amended by striking subsection (i).

SEC. 107. LOCAL PLAN.

(a) PLANNING CYCLE.—Section 118(a) (29 U.S.C. 2833(a)) is amended by striking ''5-year'' and inserting ''2-year''.

(b) CONTENTS.—Section 118(b) (29 U.S.C. 2833(b)) is amended—

(1) by amending paragraph (2) to read as follows:

''(2) a description of the one-stop delivery system to be established or designated in the local area, including a description of how the local board will ensure the continuous improvement of eligible providers of services through the system and ensure that such providers meet the employment needs of local employers and participants;'';

(2) in paragraph (4), by striking ''and dislocated worker'';

(3) in paragraph (9), by striking ''; and'' and inserting a semicolon; and

(4) by redesignating paragraph (10) as paragraph (12) and inserting after paragraph (9) the following:

''(10) a description of the strategies and services that will be initiated in the local area to engage employers, including small employers, in workforce development activities;

''(11) how the local area will serve the employment and training needs of individuals with disabilities, consistent with section 188 and Executive Order 13217 (42 U.S.C. 12131 note) including the provision of outreach, intake, assessments, and service delivery, the development of performance measures, the training of staff, and other aspects of accessibility to program services, consistent with sections 504 and 508 of the Rehabilitation Act of 1973; and''.

SEC. 108. ESTABLISHMENT OF ONE-STOP DELIVERY SYSTEMS.

(a) ONE-STOP PARTNERS.—

(1) REQUIRED PARTNERS.—Section 121(b)(1) (29 U.S.C. 2841(b)(1)) is amended—

(A) in subparagraph (B)—

(i) by striking clauses (ii) and (v);

(ii) by redesignating clauses (iii) and (iv) as clauses (ii) and (iii), respectively, and by redesignating clauses (vi) through (xii) as clauses (iv) through (x), respectively;

(iii) in clause (ix) (as so redesignated), by striking ''and'' at the end;

(iv) in clause (x) (as so redesignated), by striking the period and inserting ''; and''; and

(v) by inserting after clause (x)(as so redesignated) the following:

''(xi) programs authorized under part A of title IV of the Social Security Act (42 U.S.C. 601 et. seq.), subject to subparagraph (C).''; and

(B) by adding after subparagraph (B) the following:

''(C) DETERMINATION BY THE GOVERNOR.—The program referred to in clause (xi) of subparagraph (B) shall be included as a required partner for purposes of this title in a State unless the Governor of the State notifies the Secretary and the Secretary of Health and Human Services in writing of a determination by the Governor not to include such programs as required partners for purposes of this title in the State.''.

(2) ADDITIONAL PARTNERS.—Section 121(b)(2)(B) (29 U.S.C. 2841(b)(2)(B)) is amended—

(A) by striking clause (i) and redesignating clauses (ii) through (v) as clauses (i) through (iv) respectively;

(B) in clause (iii) (as so redesignated) by striking ''and'' at the end;

(C) in clause (iv) (as so redesignated) by striking the period and inserting a semicolon; and

(D) by adding at the end the following new clauses:

''(v) employment and training programs administered by the Social Security Administration, including the Ticket to Work program (established by Public Law 106–170);

''(vi) employment and training programs carried out by the Small Business Administration;

''(vii) programs under part D of title IV of the Social Security Act (42 U.S.C. 451 et seq.) (relating to child support enforcement);

''(viii) employment, training, and literacy services carried out by public libraries; and

''(ix) programs carried out in the local area for individuals with disabilities, including programs carried out by State agencies relating to mental health, mental retardation, and developmental disabilities, State Medicaid agencies, State Independent Living Councils, and Independent Living Centers.''.

(b) PROVISION OF SERVICES.—Subtitle B of title I is amended—

(1) in section 121(d)(2), by striking ''section 134(c)'' and inserting ''subsection (e)'';

(2) by striking subsection (e) of section 121;

(3) by moving subsection (c) of section 134 from section 134, redesignating such subsection

as subsection (e), and inserting such subsection (as so redesignated) after subsection (d) of section 121; and

(4) by amending subsection (e) of section 121 (as moved and redesignated by paragraph (2))—

(A) in paragraph (1)(A), by striking ''subsection (d)(2)'' and inserting ''section 134(c)(2)'';

(B) in paragraph (1)(B)—

(i) by striking ''subsection (d)'' and inserting ''section 134(c)''; and

(ii) by striking ''subsection (d)(4)(G)'' and inserting ''section 134(c)(4)(G)'';

(C) in paragraph (1)(C), by striking ''subsection (e)'' and inserting ''section 134(d)'';

(D) in paragraph (1)(D), by striking ''section 121(b)'' and inserting ''subsection (b)''; and

(E) by amending paragraph (1)(E) to read as follows:

''(E) shall provide access to the information described in section 15(e) of the Wagner-Peyser Act (29 U.S.C. 49l-2(e)).''.

(c) CERTIFICATION AND FUNDING OF ONE-STOP CENTERS.—Section 121 (as amended by subsection (b)) is further amended by adding at the end the following new subsections:

''(g) CERTIFICATION OF ONE-STOP CENTERS.—

''(1) IN GENERAL.—The State board shall establish procedures and criteria for periodically certifying one-stop centers for the purpose of awarding the one-stop infrastructure funding described in subsection (h).

''(2) CRITERIA.—The criteria for certification under this subsection shall include minimum standards relating to the scope and degree of service integration achieved by the centers involving the programs provided by the one-stop partners, and how the centers ensure that such providers meet the employment needs of local employers and participants.

''(3) EFFECT OF CERTIFICATION.—One-stop centers certified under this subsection shall be eligible to receive the infrastructure grants authorized under subsection (h).

''(h) ONE-STOP INFRASTRUCTURE FUNDING.—

''(1) PARTNER CONTRIBUTIONS.—

''(A) PROVISION OF FUNDS.—Notwithstanding any other provision of law, as determined under subparagraph (B), a portion of the Federal funds provided to the State and areas within the State under the Federal laws authorizing the one-stop partner programs described in subsection (b)(1)(B) and participating additional partner programs described in (b)(2)(B) for a fiscal year shall be provided to the Governor by such programs to carry out this subsection.

''(B) DETERMINATION OF GOVERNOR.—Subject to subparagraph (C), the Governor, in consultation with the State board, shall determine the portion of funds to be provided under subparagraph (A) by each one-stop partner and in making such determination shall consider the proportionate use of the one-stop centers by each partner, the costs of administration for purposes not related to one-stop centers for each partner, and other relevant factors described in paragraph (3).

''(C) LIMITATIONS.—

''(i) PROVISION FROM ADMINISTRATIVE FUNDS.—The funds provided under this paragraph by each one-stop partner shall be provided only from funds available for the costs of administration under the program administered by such partner, and shall be subject to the limitations with respect to the portion of funds under such programs that may be used for administration.

''(ii) FEDERAL DIRECT SPENDING PROGRAMS.—Programs that are Federal direct spending under section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900(c)(8)) shall not, for purposes of this paragraph, be required to provide an amount in excess of the amount determined to be equivalent to the proportionate use of the one-stop centers by such programs in the State.

''(iii) NATIVE AMERICAN PROGRAMS.—Native American programs established under section 166 shall not be subject to the provisions of this subsection. The method for determining the appropriate portion of funds to be provided by such Native American programs to pay for the costs of infrastructure of a one-stop center certified under subsection (g) shall be determined as part of the development of the memorandum of understanding under subsection (c) for the one-stop center and shall be stated in the memorandum.

''(2) ALLOCATION BY GOVERNOR.—From the funds provided under paragraph (1), the Governor shall allocate funds to local areas in accordance with the formula established under paragraph (3) for the purposes of assisting in paying the costs of the infrastructure of One-Stop centers certified under subsection (g).

''(3) ALLOCATION FORMULA.—The State board shall develop a formula to be used by the Governor to allocate the funds described in paragraph (1). The formula shall include such factors as the State board determines are appropriate, which may include factors such as the number of centers in the local area that have been certified, the population served by such centers, and the performance of such centers.

''(4) COSTS OF INFRASTRUCTURE.—For purposes of this subsection, the term 'costs of infrastructure' means the nonpersonnel costs that are necessary for the general operation of a one-stop center, including the rental costs of the facilities, the costs of utilities and maintenance, equipment (including adaptive technology for individuals with disabilities), strategic planning activities for the center, and common outreach activities.

''(i) OTHER FUNDS.—

''(1) IN GENERAL.—In addition to the funds provided to carry out subsection (h), a portion of funds made available under Federal law authorizing the one-stop partner programs described in subsection (b)(1)(B) and participating partner programs described in subsection (b)(2)(B), or the noncash resources available under such programs shall be used to pay the costs relating to the operation of the one-stop delivery system that are not paid for from the funds provided under subsection (h), to the extent not inconsistent with the Federal law involved including—

''(A) infrastructure costs that are in excess of the funds provided under subsection (h);

''(B) common costs that are in addition to the costs of infrastructure; and

''(C) the costs of the provision of core services applicable to each program.

''(2) DETERMINATION AND GUIDANCE.—The method for determining the appropriate portion of funds and noncash resources to be provided by each program under paragraph (1) shall be determined as part of the memorandum of understanding under subsection (c). The State board shall provide guidance to facilitate the determination of appropriate allocation of the funds and noncash resources in local areas.''.

SEC. 109. ELIGIBLE PROVIDERS OF TRAINING SERVICES.

Section 122 (29 U.S.C. 2842) is amended to read as follows:

''SEC. 122. IDENTIFICATION OF ELIGIBLE PROVIDERS OF TRAINING SERVICES.

''(a) IN GENERAL.—The Governor shall establish criteria and procedures regarding the eligibility of providers of training services described in section 134(c)(4) to receive funds provided under section 133(b) for the provision of such training services.

''(b) CRITERIA.—

''(1) IN GENERAL.—The criteria established pursuant to subsection (a) shall take into account the performance of providers of training services with respect to the indicators described in section 136 or other appropriate indicators (taking into consideration the characteristics of the population served and relevant economic conditions), and such other factors as the Governor determines are appropriate to ensure the quality of services, the accountability of providers, how the centers ensure that such providers meet the needs of local employers and participants, whether providers of training allow participants to attain a certification, certificate, or mastery, and the informed choice of participants under chapter 5. Such criteria shall require that the provider submit appropriate, accurate and timely information to the State for purposes of carrying out subsection (d). The criteria shall also provide for periodic review and renewal of eligibility under this section for providers of training services. The Governor may authorize local areas in the State to establish additional criteria or to modify the criteria established by the Governor under this section for purposes of determining the eligibility of providers of training services to provide such services in the local area.

''(2) LIMITATION.—In carrying out the requirements of this subsection, no personally identifiable information regarding a student, including Social Security number, student identification number, or other identifier, may be disclosed without the prior written consent of the parent or eligible student in compliance with section 444 of the General Education Provisions Act (20 U.S.C. 1232g).

''(c) PROCEDURES.—The procedures established under subsection (a) shall identify the application process for a provider of training services to become eligible to receive funds under section 133(b) for the provision of training services, and identify the respective roles of the State and local areas in receiving and reviewing applications and in making determinations of eligibility based on the criteria established under this section. The procedures shall also establish a process for a provider of training services to appeal a denial or termination of eligibility under this section that includes an opportunity for a hearing and prescribes appropriate time limits to ensure prompt resolution of the appeal.

''(d) INFORMATION TO ASSIST PARTICIPANTS IN CHOOSING PROVIDERS.—

''(1) IN GENERAL.—In order to facilitate and assist participants under chapter 5 in choosing providers of training services, the Governor shall ensure that an appropriate list or lists of providers determined eligible under this section in the State, accompanied by such information as the Governor determines is appropriate, is provided to the local boards in the State to be made available to such participants and to members of the public through the one-stop delivery system in the State.

''(2) SPECIAL RULE.—An entity that carries out programs under the Act of August 16, 1937 (commonly known as the 'National Apprenticeship Act', 50 Stat. 664, chapter 663; 29 U.S.C. 50 et seq.) shall be included on the list of eligible providers described in paragraph (1) for so long as such entity remains certified by the Department of Labor.

''(e) AGREEMENTS WITH OTHER STATES.—States may enter into agreements, on a reciprocal basis, to permit eligible providers of training services to accept individual training accounts provided in another State.

''(f) RECOMMENDATIONS.—In developing the criteria, procedures, and information required under this section, the Governor shall solicit and take into consideration the recommendations of local boards and providers of training services within the State.

''(g) OPPORTUNITY TO SUBMIT COMMENTS.—During the development of the criteria, procedures, and information required under this section, the Governor shall provide an opportunity

for interested members of the public, including representatives of business and labor organizations, to submit comments regarding such criteria, procedures, and information.

''(h) ON-THE-JOB TRAINING OR CUSTOMIZED TRAINING EXCEPTION.—

''(1) IN GENERAL.—Providers of on-the-job training or customized training shall not be subject to the requirements of subsections (a) through (g).

''(2) COLLECTION AND DISSEMINATION OF INFORMATION.—A one-stop operator in a local area shall collect such performance information from on-the-job training and customized training providers as the Governor may require, determine whether the providers meet such performance criteria as the Governor may require, and disseminate information identifying providers that meet the criteria as eligible providers, and the performance information, through the one-stop delivery system. Providers determined to meet the criteria shall be considered to be identified as eligible providers of training services.''.

SEC. 110. ELIGIBLE PROVIDERS OF YOUTH ACTIVITIES.

(a) ELIGIBLE PROVIDERS OF YOUTH ACTIVITIES.—Section 123 (29 U.S.C. 2843) is amended to read as follows:

''SEC. 123. ELIGIBLE PROVIDERS OF YOUTH ACTIVITIES.

''(a) IN GENERAL.—From the funds allocated under section 128(b) to a local area, the local board for such area shall award grants or contracts on a competitive basis to providers of youth activities identified based on the criteria in the State plan and shall conduct oversight with respect to such providers.

''(b) EXCEPTIONS.—A local board may award grants or contracts on a sole-source basis if such board determines there are an insufficient number of eligible providers of training services in the local area involved (such as rural areas) for grants to be awarded on a competitive basis under subsection (a).''.

(b) CLERICAL AMENDMENT.—The table of contents in section 1(b) is amended by amending the item related to section 123 to read as follows:

''Sec. 123. Eligible providers of youth activities.''.

SEC. 111. YOUTH ACTIVITIES.

(a) STATE ALLOTMENTS.—

(1) IN GENERAL.—Section 127(a) (29 U.S.C. 2852(a)) is amended to read as follows:

''(a) ALLOTMENT AMONG STATES.—

''(1) YOUTH ACTIVITIES.—

''(A) YOUTH CHALLENGE GRANTS.—

''(i) RESERVATION OF FUNDS.—Of the amount appropriated under section 137(a) for each fiscal year, the Secretary shall reserve 25 percent to provide youth challenge grants under section 169.

''(ii) LIMITATION.—Notwithstanding clause (i), if the amount appropriated under section 137(a) for a fiscal year exceeds $1,000,000,000, the Secretary shall reserve $250,000,000 to provide youth challenge grants under section 169.

''(B) OUTLYING AREAS AND NATIVE AMERICANS.—

''(i) IN GENERAL.—After determining the amount to be reserved under subparagraph (A), of the remainder of the amount appropriated under section 137(a) for each fiscal year the Secretary shall—

''(I) reserve not more than ¼ of one percent of such amount to provide assistance to the outlying areas to carry out youth activities and statewide workforce investment activities; and

''(II) reserve not more than 1 and ½ percent of such amount to provide youth activities under section 166 (relating to Native Americans).

''(ii) RESTRICTION.—The Republic of Palau shall cease to be eligible to receive funding under this subparagraph upon entering into an agreement for extension of United States educational assistance under the Compact of Free Association (approved by the Compact of Free Association Amendments Act of 2003 (Public Law 108–188)) after the date of enactment of the Job Training Improvement Act of 2005.

''(C) STATES.—

''(i) IN GENERAL.—Of the remainder of the amount appropriated under section 137(a) for a fiscal year that is available after determining the amounts to be reserved under subparagraphs (A) and (B), the Secretary shall allot—

''(I) the amount of the remainder that is less than or equal to the total amount that was allotted to States for fiscal year 2005 under section 127(b)(1)(C) of this Act (as in effect on the day before the date of enactment of the Job Training Improvement Act of 2005) in accordance with the requirements of such section 127(b)(1)(C); and

''(II) the amount of the remainder, if any, in excess of the amount referred to in subclause (I) in accordance with clause (ii).

''(ii) FORMULAS FOR EXCESS FUNDS.—Subject to clauses (iii) and (iv), of the amounts described in clause (i)(II)—

''(I) 33⅓ percent shall be allotted on the basis of the relative number of individuals in the civilian labor force who are ages 16–19 in each State, compared to the total number of individuals in the civilian labor force who are ages 16–19 in all States;

''(II) 33⅓ percent shall be allotted on the basis of the relative number of unemployed individuals in each State, compared to the total number of unemployed individuals in all States; and

''(III) 33⅓ percent shall be allotted on the basis of the relative number of disadvantaged youth who are ages 16 through 21 in each State, compared to the total number of disadvantaged youth who are ages 16 through 21 in all States.

''(iii) MINIMUM AND MAXIMUM PERCENTAGES.—The Secretary shall ensure that no State shall receive an allotment for a fiscal year that is less than 90 percent or greater than 130 percent of the allotment percentage of that State for the preceding fiscal year.

''(iv) SMALL STATE MINIMUM ALLOTMENT.—Subject to clause (iii), the Secretary shall ensure that no State shall receive an allotment under this paragraph that is less than 3/10 of 1 percent of the amount available under subparagraph (A).

''(2) DEFINITIONS.—For the purposes of paragraph (1), the following definitions apply:

''(A) ALLOTMENT PERCENTAGE.—The term 'allotment percentage', used with respect to fiscal year 2006 or a subsequent fiscal year, means a percentage of the remainder described in paragraph (1)(C)(i) that is received through an allotment made under this subsection for the fiscal year. The term, with respect to fiscal year 2005, means the percentage of the amounts allotted to States under this chapter (as in effect on the day before the date of enactment of the Job Training Improvement Act of 2005) that is received by the State involved for fiscal year 2005.

''(B) DISADVANTAGED YOUTH.—The term 'disadvantaged youth' means an individual who is age 16 through 21 who received an income, or is a member of a family that received a total family income, that, in relation to family size, does not exceed the poverty line.

''(3) SPECIAL RULE.—For purposes of the formulas specified in paragraph (1)(C), the Secretary shall, as appropriate and to the extent practicable, exclude college students and members of the Armed Forces from the determination of the number of disadvantaged youth.''.

(2) REALLOTMENT.—Section 127 (29 U.S.C. 2552) is further amended—

(A) by striking subsection (b);

(B) by redesignating subsection (c) as subsection (b);

(C) in subsection (b) (as so redesignated)—

(i) by amending paragraph (2) to read as follows:

''(2) AMOUNT.—The amount available for reallotment for a program year is equal to the amount by which the unexpended balance at the end of the program year prior to the program year for which the determination is made exceeds 30 percent of the total amount of funds available to the State under this section during such prior program year (including amounts allotted to the State in all prior program years that remained available). For purposes of this paragraph, the expended balance is the amount that is the difference between—

''(A) the total amount of funds available to the State under this section during the program year prior to the program year for which the determination is made (including amounts allotted to the State in all prior program years that remained available); and

''(B) the accrued expenditures during such prior program year.'';

(ii) in paragraph (3)—

(I) by striking ''for the prior program year'' and inserting ''for the program year in which the determination is made''; and

(II) by striking ''such prior program year'' and inserting ''such program year'';

(iii) by amending paragraph (4) to read as follows:

''(4) ELIGIBILITY.—For purposes of this subsection, an eligible State means a State which does not have an amount available for reallotment under paragraph (2) for the program year for which the determination under paragraph (2) is made.''; and

(iv) in paragraph (5), by striking ''obligation'' and inserting ''accrued expenditure''.

(b) WITHIN STATE ALLOCATIONS.—

(1) RESERVATION FOR STATEWIDE ACTIVITIES.—Section 128(a) is amended to read as follows:

''(a) RESERVATION FOR STATEWIDE ACTIVITIES.—

''(1) IN GENERAL.—The Governor of a State shall reserve not more than 10 percent of the amount allotted to the State under section 127(a)(1)(C) for a fiscal year for statewide activities.

''(2) USE OF FUNDS.—Regardless of whether the amounts are allotted under section 127(a)(1)(C) and reserved under paragraph (1) or allotted under section 132 and reserved under section 133(a), the Governor may use the reserved amounts to carry out statewide youth activities under section 129(b) or statewide employment and training activities under section 133.''.

(2) WITHIN STATE ALLOCATIONS.—Section 128(b) is amended to read as follows:

''(b) WITHIN STATE ALLOCATION.—

''(1) IN GENERAL.—Of the amounts allotted to the State under section 127(a)(1)(C) and not reserved under subsection (a)(1)—

''(A) 80 percent of such amounts shall be allocated by the Governor to local areas in accordance with paragraph (2); and

''(B) 20 percent of such amounts shall be allocated by the Governor to local areas in accordance with paragraph (3).

''(2) ESTABLISHED FORMULA.—

''(A) IN GENERAL.—Of the amounts described in paragraph (1)(A), the Governor shall allocate—

''(i) 33⅓ percent shall be allotted on the basis of the relative number of individuals in the civilian labor force who are ages 16–19 in each local area, compared to the total number of individuals in the civilian labor force who are ages 16–19 in all local areas in the State;

''(ii) 33⅓ percent shall be allotted on the basis of the relative number of unemployed individuals in each local area, compared to the total number of unemployed individuals in all local areas in the State; and

''(iii) 33⅓ percent on the basis of the relative number of disadvantaged youth who are ages 16 through 21 in each local area, compared to the total number of disadvantaged youth who are ages 16 through 21 in all local areas in the State.

''(B) MINIMUM AND MAXIMUM PERCENTAGES.—The Governor shall ensure that no local area shall receive an allocation for a fiscal year under this paragraph that is less than 90 percent or greater than 130 percent of the allocation percentage of the local area for the preceding fiscal year.

''(C) DEFINITIONS.—

''(i) ALLOCATION PERCENTAGE.—For purposes of this paragraph, the term 'allocation percentage', used with respect to fiscal year 2006 or a subsequent fiscal year, means a percentage of the amount described in paragraph(1)(A) that is received through an allocation made under this paragraph for the fiscal year. The term, with respect to fiscal year 2005, means the percentage of the amounts allocated to local areas under this chapter (as in effect on the day before the date of enactment of the Job Training Improvement Act of 2005) that is received by the local area involved for fiscal year 2005.

''(ii) DISADVANTAGED YOUTH.—The term 'disadvantaged youth' means an individual who is age 16 through 21 who received an income, or is a member of a family that received a total family income, that, in relation to family size, does not exceed the poverty line.

''(3) YOUTH DISCRETIONARY ALLOCATION.—The Governor shall allocate to local areas the amounts described in paragraph (1)(B) in accordance with such demographic and economic factors as the Governor, after consultation with the State board and local boards, determines are appropriate.

''(4) LOCAL ADMINISTRATIVE COST LIMIT.—

''(A) IN GENERAL.—Of the amounts allocated to a local area under this subsection and section 133(b) for a fiscal year, not more than 10 percent of the amount may be used by the local boards for the administrative costs of carrying out local workforce investment activities under this chapter or chapter 5.

''(B) USE OF FUNDS.—Funds made available for administrative costs under subparagraph (A) may be used for the administrative costs of any of the local workforce investment activities described in this chapter or chapter 5, regardless of whether the funds were allocated under this subsection or section 133(b).''.

(3) REALLOCATION.—Section 128(c) (29 U.S.C. 2853(c)) is amended—

(A) in paragraph (1), by striking ''paragraph (2)(A) or (3) of'';

(B) by amending paragraph (2) to read as follows:

''(2) AMOUNT.—The amount available for reallocation for a program year is equal to the amount by which the unexpended balance at the end of the program year prior to the program year for which the determination is made exceeds 30 percent of the total amount of funds available to the local area under this section during such prior program year, (including amounts allotted to the local area in prior program years that remain available). For purposes of this paragraph, the unexpended balance is the amount that is the difference between—

''(A) the total amount of funds available to the local area under this section during the program year prior to the program year for which the determination is made (including amounts allocated to the local area in all prior program years that remained available); and

''(B) the accrued expenditures during such prior program year.'';

(C) by amending paragraph (3)—

(i) by striking ''subsection (b)(3)'' the first two places it appears and inserting ''subsection (b)'';

(ii) by striking ''the prior program year'' and inserting ''the program year in which the determination is made'';

(iii) by striking ''such prior program year'' and inserting ''such program year''; and

(iv) by striking the last sentence; and

(D) by amending paragraph (4) to read as follows:

''(4) ELIGIBILITY.—For purposes of this subsection, an eligible local area means a local area which does not have an amount available for reallocation under paragraph (2) for the program year for which the determination under paragraph (2) is made.''.

(c) YOUTH PARTICIPANT ELIGIBILITY.—Section 129(a) (29 U.S.C. 2854(a)) is amended to read as follows:

''(a) YOUTH PARTICIPANT ELIGIBILITY.—

''(1) IN GENERAL.—The individuals participating in activities carried out under this chapter by a local area during any program year shall be individuals who, at the time the eligibility determination is made, are—

''(A) not younger than age 16 or older than age 24; and

''(B) one or more of the following:

''(i) school dropouts;

''(ii) recipients of a secondary school diploma, General Educational Development credential (GED), or other State-recognized equivalent (including recognized alternative standards for individuals with disabilities) who are deficient in basic skills and not attending any school;

''(iii) court-involved youth attending an alternative school;

''(iv) youth in foster care or who have been in foster care; or

''(v) in school youth who are low-income individuals and one or more of the following:

''(I) Deficient in literacy skills.

''(II) Homeless, runaway, or foster children.

''(III) Pregnant or parents.

''(IV) Offenders.

''(V) Individuals who require additional assistance to complete an educational program, or to secure and hold employment.

''(2) PRIORITY FOR SCHOOL DROPOUTS.—A priority in the provision of services under this chapter shall be given to individuals who are school dropouts.

''(3) LIMITATIONS ON ACTIVITIES FOR IN-SCHOOL YOUTH.—

''(A) PERCENTAGE OF FUNDS.—For any program year, not more than 30 percent of the funds available for statewide activities under subsection (b), and not more than 30 percent of funds available to local areas under subsection (c), may be used to provide activities for in-school youth meeting the requirements of paragraph (1)(B)(v).

''(B) NON-SCHOOL HOURS REQUIRED.—

''(i) IN GENERAL.—Except as provided in clause (ii), activities carried out under this chapter for in-school youth meeting the requirements of paragraph (1)(B)(v) shall only be carried out in non-school hours or periods when school is not in session (such as before and after school or during recess).

''(ii) EXCEPTION.—The requirements of clause (i) shall not apply to activities carried out for in-school youth meeting the requirements of paragraph (1)(B)(v) during school hours that are part of a program that has demonstrated effectiveness in high school youth attaining diplomas.''.

(d) STATEWIDE YOUTH ACTIVITIES.—Section 129(b) (29 U.S.C. 2854(b)) is amended to read as follows:

''(b) STATEWIDE ACTIVITIES.—

''(1) IN GENERAL.—Funds reserved by a Governor for a State as described in sections 128(a) and 133(a)(1) may be used for statewide activities including—

''(A) additional assistance to local areas that have high concentrations of eligible youth;

''(B) supporting the provision of core services described in section 134(c)(2) in the one-stop delivery system;

''(C) conducting evaluations under section 136(e) of activities authorized under this chapter and chapter 5 in coordination with evaluations carried out by the Secretary under section 172, research, and demonstration projects;

''(D) providing incentive grants to local areas for regional cooperation among local boards (including local boards in a designated region as described in section 116(c)), for local coordination of activities carried out under this Act, and for exemplary performance by local areas on the local performance measures;

''(E) providing technical assistance and capacity building to local areas, one-stop operators, one-stop partners, and eligible providers, including the development and training of staff, the development of exemplary program activities, and the provision of technical assistance to local areas that fail to meet local performance measures;

''(F) operating a fiscal and management accountability system under section 136(f); and

''(G) carrying out monitoring and oversight of activities under this chapter and chapter 5.

''(2) LIMITATION.—Not more than 5 percent of the funds allotted under section 127(b) shall be used by the State for administrative activities carried out under this subsection and section 133(a).

''(3) PROHIBITION.—No funds described in this subsection or in section 134(a) may be used to develop or implement education curricula for school systems in the State.''.

(e) LOCAL ELEMENTS AND REQUIREMENTS.—

(1) PROGRAM DESIGN.—Section 129(c)(1) (29 U.S.C. 2854(c) (1)) is amended—

(A) in the matter preceding subparagraph (A), by striking ''paragraph (2)(A) or (3), as appropriate, of'';

(B) in subparagraph (B), by inserting ''are directly linked to one or more of the performance outcomes relating to this chapter under section 136, and that'' after ''for each participant that''; and

(C) in subparagraph (C)—

(i) by redesignating clauses (i) through (iv) as clauses (ii) through (v), respectively;

(ii) by inserting before clause (ii) (as so redesignated) the following:

''(i) activities leading to the attainment of a secondary school diploma, General Educational Development credential (GED), or other State-recognized equivalent (including recognized alternative standards for individuals with disabilities);'';

(iii) in clause (ii) (as so redesignated), by inserting ''and advanced training'' after ''opportunities'';

(iv) in clause (iii) (as so redesignated), by inserting ''that lead to the attainment of recognized credentials'' after ''learning''; and

(v) by amending clause (v) (as redesignated by this subparagraph) to read as follows:

''(v) effective connections to employers in sectors of the local labor market experiencing high growth in employment opportunities.''.

(2) PROGRAM ELEMENTS.—Section 129(c)(2) (29 U.S.C. 2854(c)(2)) is amended—

(A) in subparagraph (A), by striking ''secondary school, including dropout prevention strategies'' and inserting ''secondary school diploma, General Educational Development credential (GED), or other State-recognized equivalent (including recognized alternative standards for individuals with disabilities), including dropout prevention strategies'';

(B) in subparagraph (I), by striking ''and'' at the end;

(C) in subparagraph (J), by striking the period at the end and inserting a semicolon; and

(D) by adding at the end the following:

''(K) on-the-job training opportunities; and

''(L) financial literacy skills.''.

(3) ADDITIONAL REQUIREMENTS.—Section 129(c)(3)(A) (29 U.S.C. 2854(c)(3)(A)) is amended in the matter preceding clause (i) by striking ''or applicant who meets the minimum income criteria to be considered an eligible youth''.

(4) PRIORITY AND EXCEPTIONS.—Section 129(c) (29 U.S.C. 2854(c)) is further amended—

(A) by striking paragraphs (4) and (5);

(B) by redesignating paragraph (6) as paragraph (4);

(C) by redesignating paragraph (7) as paragraph (5), and in such redesignated paragraph (5) by striking ''youth councils'' and inserting ''local boards''; and

(D) by redesignating paragraph (8) as paragraph (6).

SEC. 112. COMPREHENSIVE PROGRAMS FOR ADULTS.

(a) TITLE AMENDMENT.—

(1) The title heading of chapter 5 is amended to read as follows:

''CHAPTER 5—COMPREHENSIVE EMPLOYMENT AND TRAINING ACTIVITIES FOR ADULTS''.

(2) CLERICAL AMENDMENT.—The table of contents in section 1(b) is amended by amending the item related to the heading for chapter 5 to read as follows:

''CHAPTER 5—COMPREHENSIVE EMPLOYMENT AND TRAINING ACTIVITIES FOR ADULTS''.

(b) GENERAL AUTHORIZATION.—Section 131 (29 U.S.C. 2861) is amended—

(1) by striking ''paragraphs (1)(B) and (2)(B) of''; and

(2) by striking '', and dislocated workers,''.

(c) STATE ALLOTMENTS.—

(1) IN GENERAL.—Section 132(a) (29 U.S.C. 2862(a)) is amended to read as follows:

''(a) IN GENERAL.—The Secretary shall—

''(1) reserve 10 percent of the amount appropriated under section 137(b) for a fiscal year, of which—

''(A) not less than 75 percent shall be used for national dislocated worker grants under section 173, of which up to $125,000,000 may be used to carry out section 171(d);

''(B) not more than 20 percent may be used for demonstration projects under section 171; and

''(C) not more than 5 percent may be used to provide technical assistance under section 170; and

''(2) make allotments from 90 percent of the amount appropriated under section 137(b) for a fiscal year in accordance with subsection (b).''.

(2) ALLOTMENT AMONG STATES.—Section 132(b) (29 U.S.C. 2862(b)) is amended to read as follows:

''(b) ALLOTMENT AMONG STATES FOR ADULT EMPLOYMENT AND TRAINING ACTIVITIES.—

''(1) RESERVATION FOR OUTLYING AREAS.—

''(A) IN GENERAL.—From the amount made available under subsection (a)(2) for a fiscal year, the Secretary shall reserve not more than ¼ of 1 percent to provide assistance to outlying areas to carry out employment and training activities for adults and statewide workforce investment activities.

''(B) RESTRICTION.—The Republic of Palau shall cease to be eligible to receive funding under this paragraph upon entering into an agreement for extension of United States educational assistance under the Compact of Free Association (approved by the Compact of Free Association Amendments Act of 2003 (Public Law 108–188)) after the date of enactment of the Job Training Improvement Act of 2005.

''(2) STATES.—Subject to paragraph (5), of the remainder of the amount referred to under subsection (a)(2) for a fiscal year that is available after determining the amount to be reserved under paragraph (1), the Secretary shall allot to the States for employment and training activities for adults and for statewide workforce investment activities—

''(A) 26 percent in accordance with paragraph (3); and

''(B) 74 percent in accordance with paragraph (4).

''(3) BASE FORMULA.—

''(A) FISCAL YEAR 2006.—

''(i) IN GENERAL.—Subject to clause (ii), the amount referred to in paragraph (2)(A) shall be allotted for fiscal year 2006 on the basis of allotment percentage of each State under section 6 of the Wagner-Peyser Act for fiscal year 2005.

''(ii) EXCESS AMOUNTS.—If the amount referred to in paragraph (2)(A) for fiscal year 2006 exceeds the amount that was available for allotment to the States under the Wagner-Peyser Act for fiscal year 2005, such excess amount shall be allotted on the basis of the relative number of individuals in the civilian labor force in each State, compared to the total number of individuals in the civilian labor force in all States, adjusted to ensure that no State receives less than 3/10 of one percent of such excess amount.

''(iii) DEFINITION.—For purposes of this subparagraph, the term 'allotment percentage' means the percentage of the amounts allotted to States under section 6 of the Wagner-Peyser Act that is received by the State involved for fiscal year 2005.

''(B) FISCAL YEARS 2007 AND THEREAFTER.—

''(i) IN GENERAL.—Subject to clause (ii), the amount referred to in paragraph(2)(A) shall be allotted for fiscal year 2007 and each fiscal year thereafter on the basis of the allotment percentage of each State under this paragraph for the preceding fiscal year.

''(ii) EXCESS AMOUNTS.—If the amount referred to in paragraph (2)(A) for fiscal year 2007 or any fiscal year thereafter exceeds the amount that was available for allotment under this paragraph for the prior fiscal year, such excess amount shall be allotted on the basis of the relative number of individuals in the civilian labor force in each State, compared to the total number of individuals in the civilian labor force in all States, adjusted to ensure that no State receives less than 3/10 of one percent of such excess amount.

''(iii) DEFINITION.—For purposes of this subparagraph, the term 'allotment percentage' means the percentage of the amounts allotted to States under this paragraph in a fiscal year that is received by the State involved for such fiscal year.

''(4) CONSOLIDATED FORMULA.—

''(A) IN GENERAL.—Subject to subparagraphs (B) and (C), of the amount referred to in paragraph (2)(B)—

''(i) 60 percent shall be allotted on the basis of the relative number of unemployed individuals in each State, compared to the total number of unemployed individuals in all States;

''(ii) 25 percent shall be allotted on the basis of the relative excess number of unemployed individuals in each State, compared to the total excess number of unemployed individuals in all States; and

''(iii) 15 percent shall be allotted on the basis of the relative number of disadvantaged adults in each State, compared to the total number of disadvantaged adults in all States.

''(B) MINIMUM AND MAXIMUM PERCENTAGES.—

''(i) MINIMUM PERCENTAGE.—The Secretary shall ensure that no State shall receive an allotment under this paragraph for a fiscal year that is less than 90 percent of the allotment percentage of the State under this paragraph for the preceding fiscal year.

''(ii) MAXIMUM PERCENTAGE.—Subject to clause (i), the Secretary shall ensure that no State shall receive an allotment for a fiscal year under this paragraph that is more than 130 percent of the allotment of the State under this paragraph for the preceding fiscal year.

''(C) SMALL STATE MINIMUM ALLOTMENT.—Subject to subparagraph (B), the Secretary shall ensure that no State shall receive an allotment under this paragraph that is less than 3/10 of 1 percent of the amount available under subparagraph (A).

''(D) DEFINITIONS.—For the purposes of this paragraph:

''(i) ALLOTMENT PERCENTAGE.—The term 'allotment percentage', used with respect to fiscal year 2006 or a subsequent fiscal year, means a percentage of the amounts described in paragraph (2)(B) that is received through an allotment made under this paragraph for the fiscal year. The term, with respect to fiscal year 2005, means the percentage of the amounts allotted to States under this chapter (as in effect on the day before the date of enactment of the Job Training Improvement Act of 2005) and under reemployment service grants received by the State involved for fiscal year 2005.

''(ii) DISADVANTAGED ADULT.—The term 'disadvantaged adult' means an individual who is age 22 through 72 who received an income, or is a member of a family that received a total family income, that, in relation to family size, does not exceed the poverty line.

''(iii) EXCESS NUMBER.—The term 'excess number' means, used with respect to the excess number of unemployed individuals within a State, the number that represents the number of unemployed individuals in excess of 4½ percent of the civilian labor force in the State.

''(5) ADJUSTMENTS IN ALLOTMENTS BASED ON DIFFERENCES WITH UNCONSOLIDATED FORMULAS.—

''(A) IN GENERAL.—The Secretary shall ensure that for any fiscal year no State has an allotment difference, as defined in subparagraph (C), that is less than zero. The Secretary shall adjust the amounts allotted to the States under this subsection in accordance with subparagraph (B) if necessary to carry out this subparagraph.

''(B) ADJUSTMENTS IN ALLOTMENTS.—

''(i) REDISTRIBUTION OF EXCESS AMOUNTS.—

''(I) IN GENERAL.—If necessary to carry out subparagraph (A), the Secretary shall reduce the amounts that would be allotted under paragraphs (3) and (4) to States that have an excess allotment difference, as defined in subclause (II), by the amount of such excess, and use such amounts to increase the allotments to States that have an allotment difference less than zero.

''(II) EXCESS AMOUNTS.—For purposes of subclause (I), the term 'excess' allotment difference means an allotment difference for a State that is—

''(aa) in excess of 3 percent of the amount described in subparagraph (C)(i)(II); or

''(bb) in excess of a percentage established by the Secretary that is greater than 3 percent of the amount described in subparagraph (C)(i)(II) if the Secretary determines that such greater percentage is sufficient to carry out subparagraph (A).

''(ii) USE OF AMOUNTS AVAILABLE UNDER NATIONAL RESERVE ACCOUNT.—If the funds available under clause (i) are insufficient to carry out subparagraph (A), the Secretary shall use funds reserved under section 132(a) in such amounts as are necessary to increase the allotments to States to meet the requirements of subparagraph (A). Such funds shall be used in the same manner as the States use the other funds allotted under this subsection.

''(C) DEFINITION OF ALLOTMENT DIFFERENCE.—

''(i) IN GENERAL.—For purposes of this paragraph, the term 'allotment difference' means the difference between—

''(I) the total amount a State would receive of the amounts available for allotment under subsection (b)(2) for a fiscal year pursuant to paragraphs (3) and (4); and

''(II) the total amount the State would receive of the amounts available for allotment under subsection (b)(2) for the fiscal year if such amounts were allotted pursuant to the unconsolidated formulas (applied as described in clause (iii)) that were used in allotting funds for fiscal year 2005.

''(ii) UNCONSOLIDATED FORMULAS.—For purposes of clause (i), the unconsolidated formulas are:

''(I) The requirements for the allotment of funds to the States contained in section 132(b)(1)(B) of this Act (as in effect on the day before the date of enactment of the Job Training Improvement Act of 2005) that were applicable to the allotment of funds under such section for fiscal year 2005.

''(II) The requirements for the allotment of funds to the States contained in section 132(b)(2)(B) of this Act (as in effect on the day before the date of enactment of the Job Training Improvement Act of 2005) that were applicable to the allotment of funds under such section for fiscal year 2005.

''(III) The requirements for the allotment of funds to the States that were contained in section 6 of the Wagner-Peyser Act (as in effect on the day before the date of enactment of the Job Training Improvement Act of 2005) that were applicable to the allotment of funds under such Act for fiscal year 2005.

''(IV) The requirements for the allotment of funds to the States that were established by the Secretary for Reemployment Services Grants that were applicable to the allotment of funds for such grants for fiscal year 2005.

''(iii) PROPORTIONATE APPLICATION OF UNCONSOLIDATED FORMULAS BASED ON FISCAL YEAR 2005.—In calculating the amount under clause (i)(II), each of the unconsolidated formulas identified in clause (ii) shall be applied, respectively, only to the proportionate share of the total amount of funds available for allotment under subsection (b)(2) for a fiscal year that is equal to the proportionate share to which each of the unconsolidated formulas applied with respect to the total amount of funds allotted to the States under all of the unconsolidated formulas in fiscal year 2005.

''(iv) RULE OF CONSTRUCTION.—The amounts used to adjust the allotments to a State under subparagraph (B) for a fiscal year shall not be included in the calculation of the amounts under clause (i) for a subsequent fiscal year, including the calculation of allocation percentages for a preceding fiscal year applicable to paragraphs (3) and (4) and to the unconsolidated formulas described in clause (ii).''.

(3) REALLOTMENT.—Section 132(c) (29 U.S.C. 2862(c)) is amended—

(A) by amending paragraph (2) to read as follows:

''(2) AMOUNT.—The amount available for reallotment for a program year is equal to the amount by which the unexpended balance at the end of the program year prior to the program year for which the determination is made exceeds 30 percent of the total amount of funds available to the State under this section during such prior program year (including amounts allotted to the State in all prior program years that remained available). For purposes of this paragraph, the expended balance is the amount that is the difference between—

''(A) the total amount of funds available to the State under this section during the program year prior to the program year for which the determination is made (including amounts allotted to the State in all prior program years that remained available); and

''(B) the accrued expenditures during such prior program year.'';

(B) in paragraph (3)—

(i) by striking ''for the prior program year'' and inserting ''for the program year in which the determination is made''; and

(ii) by striking ''such prior program year'' and inserting ''such program year'';

(C) by amending paragraph (4) to read as follows:

''(4) ELIGIBILITY.—For purposes of this subsection, an eligible State means a State that does not have an amount available for reallotment under paragraph (2) for the program year for which the determination under paragraph (2) is made.''; and

(D) in paragraph (5), by striking ''obligation'' and inserting ''accrued expenditure''.

(d) WITHIN STATE ALLOCATIONS.—

(1) RESERVATION FOR STATE ACTIVITIES.—Section 133(a) (29 U.S.C. 2863(a)) is amended to read as follows:

''(a) RESERVATION FOR STATEWIDE ACTIVITIES.—The Governor of a State may reserve up to 50 percent of the total amount allotted to the State under section 132 for a fiscal year to carry out the statewide activities described in section 134(a).''.

(2) ALLOCATIONS TO LOCAL AREAS.—Section 133(b) (29 U.S.C. 2863(b)) is amended to read as follows:

''(b) ALLOCATIONS TO LOCAL AREAS.—

''(1) IN GENERAL.—Of the amounts allotted to the State under section 132(b)(2) and not reserved under subsection (a)—

''(A) 85 percent of such amounts shall be allocated by the Governor to local areas in accordance with paragraph (2); and

''(B) 15 percent of such amounts shall be allocated by the Governor to local areas in accordance with paragraph (3).

''(2) ESTABLISHED FORMULA.—

''(A) IN GENERAL.—Of the amounts described in paragraph (1)(A), the Governor shall allocate—

''(i) 60 percent on the basis of the relative number of unemployed individuals in each local area, compared to the total number of unemployed individuals in all local areas in the State;

''(ii) 25 percent on the basis of the relative excess number of unemployed individuals in each local area, compared to the total excess number of unemployed individuals in all local areas in the State; and

''(iii) 15 percent shall be allotted on the basis of the relative number of disadvantaged adults in each local area, compared to the total number of disadvantaged adults in all local areas in the State.

''(B) MINIMUM AND MAXIMUM PERCENTAGES.—The Governor shall ensure that no local area shall receive an allocation for a fiscal year under this paragraph that is less than 90 percent or greater than 130 percent of the allocation percentage of the local area for the preceding fiscal year.

''(C) DEFINITIONS.—

''(i) ALLOCATION PERCENTAGE.—The term 'allocation percentage', used with respect to fiscal year 2006 or a subsequent fiscal year, means a percentage of the amount described in paragraph (1)(A) that is received through an allocation made under this paragraph for the fiscal year. The term, with respect to fiscal year 2005, means the percentage of the amounts allocated to local areas under this chapter (as in effect on the day before the date of enactment of the Job Training Improvement Act of 2005) that is received by the local area involved for fiscal year 2005.

''(ii) DISADVANTAGED ADULT.—The term 'disadvantaged adult' means an individual who is age 22 through 72 who received an income, or is a member of a family that received a total family income, that, in relation to family size, does not exceed the poverty line.

''(iii) EXCESS NUMBER.—The term 'excess number' means, used with respect to the excess number of unemployed individuals within a local area, the number that represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in the local area.

''(3) DISCRETIONARY ALLOCATION.—The Governor shall allocate to local areas the amounts described in paragraph (1)(B) based on a formula developed in consultation with the State board and local boards. Such formula shall be objective and geographically equitable and may include such demographic and economic factors as the Governor, after consultation with the State board and local boards, determines are appropriate.

''(4) LOCAL ADMINISTRATIVE COST LIMIT.—

''(A) IN GENERAL.—Of the amounts allocated to a local area under this subsection and section 128(b) for a fiscal year, not more than 10 percent of the amount may be used by the local boards for the administrative costs of carrying out local workforce investment activities under this chapter or chapter 4.

''(B) USE OF FUNDS.—Funds made available for administrative costs under subparagraph (A) may be used for the administrative costs of any of the local workforce investment activities described in this chapter or chapter 4, regardless of whether the funds were allocated under this subsection or section 128(b).''.

(3) REALLOCATION AMONG LOCAL AREAS.—Section 133(c) (29 U.S.C. 2863(c)) is amended—

(A) in paragraph (1), by striking ''paragraph (2)(A) or (3) of'';

(B) by amending paragraph (2) to read as follows:

''(2) AMOUNT.—The amount available for reallocation for a program year is equal to the amount by which the unexpended balance at the end of the program year prior to the program year for which the determination is made exceeds 30 percent of the total amount of funds available to the local area under this section during such prior program year (including amounts allotted to the local area in prior program years that remain available). For purposes of this paragraph, the unexpended balance is the amount that is the difference between—

''(A) the total amount of funds available to the local area under this section during the program year prior to the program year for which the determination is made (including amounts allocated to the local area in all prior program years that remained available); and

''(B) the accrued expenditures during such prior program year.'';

(C) by amending paragraph (3)—

(i) by striking ''subsection (b)(3)'' the first two places it appears and inserting ''subsection (b)'';

(ii) by striking ''the prior program year'' and inserting ''the program year in which the determination is made'';

(iii) by striking ''such prior program year'' and inserting ''such program year''; and

(iv) by striking the last sentence; and

(D) by amending paragraph (4) to read as follows:

''(4) ELIGIBILITY.—For purposes of this subsection, an eligible local area means a local area which does not have an amount available for reallocation under paragraph (2) for the program year for which the determination under paragraph (2) is made.''.

(e) USE OF FUNDS FOR EMPLOYMENT AND TRAINING ACTIVITIES.—

(1) STATEWIDE EMPLOYMENT AND TRAINING ACTIVITIES.—

(A) IN GENERAL.—Section 134(a)(1) (29 U.S.C. 2864(a)(1) is amended to read as follows:

''(1) IN GENERAL.—

''(A) REQUIRED USE OF FUNDS.—Not less than 50 percent of the funds reserved by a Governor under section 133(a) shall be used to support the provision of core services in local areas, consistent with the local plan, through one-stop delivery systems by distributing funds to local

areas in accordance with subparagraph (B). Such funds may be used by States to employ State personnel to provide such services in designated local areas in consultation with local boards.

''(B) METHOD OF DISTRIBUTING FUNDS.—The method of distributing funds under this paragraph shall be developed in consultation with the State board and local boards. Such method of distribution, which may include the formula established under section 121(h)(3), shall be objective and geographically equitable, and may include factors such as the number of centers in the local area that have been certified, the population served by such centers, and the performance of such centers.

''(C) OTHER USE OF FUNDS.—Funds reserved by a Governor for a State—

''(i) under section 133(a) and not used under subparagraph (A), may be used for statewide activities described in paragraph (2); and

''(ii) under section 133(a) and not used under subparagraph (A), and under section 128(a) may be used to carry out any of the statewide employment and training activities described in paragraph (3).''.

(B) STATEWIDE RAPID RESPONSE ACTIVITIES.—Section 134(a)(2) (29 U.S.C. 2864(a)(2)) is amended to read as follows:

''(2) STATEWIDE RAPID RESPONSE ACTIVITIES.—A State shall carry out statewide rapid response activities using funds reserved as described in section 133(a). Such activities shall include—

''(A) provision of rapid response activities, carried out in local areas by the State or by an entity designated by the State, working in conjunction with the local boards and the chief elected officials in the local areas; and

''(B) provision of additional assistance to local areas that experience disasters, mass layoffs or plant closings, or other events that precipitate substantial increases in the number of unemployed individuals, carried out in local areas by the State, working in conjunction with the local boards and the chief elected officials in the local areas.''.

(C) STATEWIDE EMPLOYMENT AND TRAINING ACTIVITIES.—Section 134(a)(3) (29 U.S.C. 2864(a)(3)) is amended to read as follows:

''(3) STATEWIDE ACTIVITIES.—Funds reserved by a Governor for a State as described in sections 133(a) and 128(a) may be used for statewide activities including—

''(A) supporting the provision of core services described in section 134(c)(2) in the one-stop delivery system;

''(B) conducting evaluations under section 136(e) of activities authorized under this chapter and chapter 4 in coordination with evaluations carried out by the Secretary under section 172, research, and demonstration projects;

''(C) providing incentive grants to local areas for regional cooperation among local boards (including local boards in a designated region as described in section 116(c)), for local coordination of activities carried out under this Act, and for exemplary performance by local areas on the local performance measures;

''(D) providing technical assistance and capacity building to local areas, one-stop operators, one-stop partners, and eligible providers, including the development and training of staff, the development of exemplary program activities, and the provision of technical assistance to local areas that fail to meet local performance measures;

''(E) operating a fiscal and management accountability system under section 136(f);

''(F) carrying out monitoring and oversight of activities carried out under this chapter and chapter 4;

''(G) implementing innovative programs, such as incumbent worker training programs, programs and strategies designed to meet the needs of businesses in the State, including small businesses, and engage employers in workforce activities, and programs serving individuals with disabilities consistent with section 188;

''(H) developing strategies for effectively serving hard-to-serve populations and for integrating programs and services among one-stop partners;

''(I) implementing innovative programs for displaced homemakers, which for purposes of this subparagraph may include an individual who is receiving public assistance and is within 2 years of exhausting lifetime eligibility under Part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.);

''(J) implementing programs to increase the number of individuals training for and placed in nontraditional employment; and

''(K) carrying out activities to facilitate remote access to services provided through a one-stop delivery system, including facilitating access through the use of technology.''.

(D) LIMITATION ON STATE ADMINISTRATIVE EXPENDITURES.—Section 134(a) is further amended by adding the following new paragraph:

''(4) LIMITATION.—Not more than 5 percent of the funds allotted under section 132(b) shall be used by the State for administrative activities carried out under this subsection and section 128(a).''.

(2) LOCAL EMPLOYMENT AND TRAINING ACTIVITIES.—Section 134(b) (29 U.S.C. 2864(b)) is amended—

(A) by striking ''under paragraph (2)(A)'' and all that follows through ''section 133(b)(2)(B)'' and inserting ''under section 133(b)''; and

(B) in paragraphs (1) and (2), by striking ''or dislocated workers, respectively'' .

(3) TECHNICAL AMENDMENT.—Section 134 is further amended by redesignating subsections (d) and (e) as subsections (c) and (d), respectively.

(4) REQUIRED LOCAL EMPLOYMENT AND TRAINING ACTIVITIES.—

(A) ALLOCATED FUNDS.—Section 134(c)(1) (29 U.S.C. 2864(c)(1)) (as redesignated by paragraph (3)) is amended to read as follows:

''(1) IN GENERAL.—Funds allocated to a local area for adults under section 133(b) shall be used—

''(A) to establish a one-stop delivery system as described in section 121(e);

''(B) to provide the core services described in paragraph (2) through the one-stop delivery system in accordance with such paragraph;

''(C) to provide the intensive services described in paragraph (3) to adults described in such paragraph; and

''(D) to provide training services described in paragraph (4) to adults described in such paragraph.''.

(B) CORE SERVICES.—Section 134(c)(2) (29 U.S.C. 2864(c)(2)) (as redesignated by paragraph (3)) is amended—

(i) by striking ''who are adults or dislocated workers'';

(ii) in subparagraph (A), by striking ''under this subtitle'' and inserting ''under the one-stop partner programs described in section 121(b)'';

(iii) by amending subparagraph (D) to read as follows:

''(D) labor exchange services, including—

''(i) job search and placement assistance, and where appropriate career counseling;

''(ii) appropriate recruitment services for employers; and

''(iii) reemployment services provided to unemployment claimants.'';

(iv) in subparagraph (I), by inserting ''and the administration of the work test for the unemployment compensation system'' after ''compensation''; and

(v) by amending subparagraph (J) to read as follows:

''(J) assistance in establishing eligibility for programs of financial aid assistance for training and education programs that are not funded under this Act and are available in the local area; and''.

(C) INTENSIVE SERVICES.—Section 134(c)(3) (29 U.S.C. 2864(c)(3) (as redesignated by paragraph (3) of this subsection) is amended—

(i) by amending subparagraph (A) to read as follows:

''(A) IN GENERAL.—

''(i) ELIGIBILITY.—Funds allocated to a local area under section 133(b) shall be used to provide intensive services for adults who—

''(I) are unemployed and who have been determined by the one-stop operator to be—

''(aa) unlikely or unable to obtain suitable employment through core services; and

''(bb) in need of intensive services in order to obtain suitable employment; or

''(II) are employed, but who are determined by a one-stop operator to be in need of intensive services to obtain or retain suitable employment.

''(ii) DEFINITION.—The Governor shall define the term 'suitable employment' for purposes of this subparagraph.''; and

(ii) in subparagraph (C)—

(I) in clause (v), by striking ''for participants seeking training services under paragraph (4)''; and

(II) by adding the following clauses after clause (vi):

''(vii) Internships and work experience.

''(viii) Literacy activities relating to basic work readiness, information and communication technology literacy activities, and financial literacy activities.

''(ix) Out-of-area job search assistance and relocation assistance.''.

(D) TRAINING SERVICES.—Section 134(c)(4) (as redesignated by paragraph (3) of this subsection) is amended—

(i) by amending subparagraph (A) to read as follows:

''(A) IN GENERAL.—

''(i) ELIGIBILITY.—Funds allocated to a local area under section 133(b) shall be used to provide training services to adults who—

''(I) after an interview, evaluation, or assessment, and case management, have been determined by a one-stop operator or one-stop partner, as appropriate, to—

''(aa) be unlikely or unable to obtain or retain suitable employment through intensive services under paragraph (3)(A);

''(bb) be in need of training services to obtain or retain suitable employment; and

''(cc) have the skills and qualifications to successfully participate in the selected program of training services;

''(II) select programs of training services that are directly linked to the employment opportunities in the local area involved or in another area in which the adults receiving such services are willing to commute or relocate;

''(III) who meet the requirements of subparagraph (B); and

''(IV) who are determined eligible in accordance with the priority system in effect under subparagraph (E).

''(ii) DEFINITION.—The Governor shall define the term 'suitable employment' for purposes of this subparagraph.'';

(ii) in subparagraph (B)(i), by striking ''Except'' and inserting ''Notwithstanding section 479B of the Higher Education Act of 1965 (20 U.S.C. 1087uu) and except'';

(iii) in subparagraph (D)—

(I) by amending clause (iv) to read as follows:

''(iv) entrepreneurial training, including providing information about obtaining microcredit loans for the purpose of starting a business, including contact information of microcredit lenders operating within the local area;'';

(II) in clause (viii) by inserting ''(including English as a Second Language)'' after ''activities''; and

(III) by redesignating clause (ix) as clause (x) and inserting after clause (viii) the following:

''(ix) training that integrates occupational skills training and English language acquisition;'';

(iv) by amending subparagraph (E) to read as follows:

''(E) PRIORITY.—

''(i) IN GENERAL.—A priority shall be given to unemployed individuals for the provision of intensive and training services under this subsection.

''(ii) ADDITIONAL PRIORITY.—If the funds in the local area, including the funds allocated under section 133(b), for serving recipients of public assistance and other low-income individuals, including single parents, displaced homemakers, and pregnant single women, is limited, the priority for the provision of intensive and training services under this subsection shall include such recipients and individuals.

''(iii) DETERMINATIONS.—The Governor and the appropriate local board shall direct the one-stop operators in the local area with regard to making determinations with respect to the priority of service under this subparagraph.'';

(v) in subparagraph (F), by adding the following clause after clause (iii):

''(iv) ENHANCED INDIVIDUAL TRAINING ACCOUNTS.—Each local board may, through one-stop centers, assist individuals receiving individual training accounts through the establishment of such accounts that include, in addition to the funds provided under this paragraph, funds from other programs and sources that will assist the individual in obtaining training services.'';

(vi) in subparagraph (G)(iv), by redesignating subclause (IV) as subclause (V) and inserting after subclause (III) the following:

''(IV) Individuals with disabilities.''; and

(vii) by adding at the end the following:

''(H) COMPUTER TECHNOLOGY.—In providing training services under subparagraph (G), funds allocated to a local area under this title may be used to purchase computer technology for use by an individual who is eligible pursuant to subsection (A), only if—

''(i) such purchase is part of an ongoing training program; and

''(ii) such purchase is necessary to ensure the individual can participate in such training program.

Any purchase of computer technology under this subparagraph shall remain the property of the one-stop operator.''.

(5) PERMISSIBLE ACTIVITIES.—Section 134(d) (as redesignated by paragraph (3)) is amended—

(A) by amending paragraph (1) to read as follows:

''(1) DISCRETIONARY ONE-STOP DELIVERY ACTIVITIES.—

''(A) IN GENERAL.—Funds allocated to a local area under section 133(b) may be used to provide, through the one-stop delivery system—

''(i) customized screening and referral of qualified participants in training services to employers;

''(ii) customized employment-related services to employers on a fee-for-service basis;

''(iii) customer support to navigate among multiple services and activities for special participant populations that face multiple barriers to employment, including individuals with disabilities;

''(iv) employment and training assistance provided in coordination with child support enforcement activities of the State agency carrying out subtitle D of title IV of the Social Security Act;

''(v) activities to improve services to local employers, including small employers in the local area, and increase linkages between the local workforce investment system and employers; and

''(vi) activities to facilitate remote access to services provided through a one-stop delivery system, including facilitating access through the use of technology.

''(B) WORK SUPPORT ACTIVITIES FOR LOW-WAGE WORKERS.—

''(i) IN GENERAL.—Funds allocated to a local area under 133(b) may be used to provide, through the one-stop delivery system and in collaboration with the appropriate programs and resources of the one-stop partners, work support activities designed to assist low-wage workers in retaining and enhancing employment.

''(ii) ACTIVITIES.—The activities described in clause (i) may include assistance in accessing financial supports for which such workers may be eligible and the provision of activities available through the one-stop delivery system in a manner that enhances the opportunities of such workers to participate, such as the provision of employment and training activities during non-traditional hours and the provision of on-site child care while such activities are being provided.''; and

(B) by adding after paragraph (3) the following new paragraph:

''(4) INCUMBENT WORKER TRAINING PROGRAMS.—

''(A) IN GENERAL.—The local board may use up to 10 percent of the funds allocated to a local area under section 133(b) to carry out incumbent worker training programs in accordance with this paragraph.

''(B) TRAINING ACTIVITIES.—The training programs for incumbent workers under this paragraph shall be carried out by the local area in conjunction with the employers of such workers for the purpose of assisting such workers in obtaining the skills necessary to retain employment and avert layoffs.

''(C) EMPLOYER MATCH REQUIRED.—

''(i) IN GENERAL.—Employers participating in programs under this paragraph shall be required to pay a proportion of the costs of providing the training to the incumbent workers. The Governor shall establish, or may authorize the local board to establish, the required portion of such costs, which shall not be less than—

''(I) 10 percent of the costs, for employers with 50 or fewer employees;

''(II) 25 percent of the costs, for employers with more than 50 employees but fewer than 100 employees; and

''(III) 50 percent of the costs, for employers with 100 or more employees.

''(ii) CALCULATION OF MATCH.—The wages paid by an employer to a worker while they are attending training may be included as part of the requirement payment of the employer.''.

SEC. 113. PERFORMANCE ACCOUNTABILITY SYSTEM.

(a) STATE PERFORMANCE MEASURES.—

(1) IN GENERAL.—Section 136(b)(1) (29 U.S.C. 2871(b)(1)) is amended—

(A) in subparagraph (A)(i), by striking ''and the customer satisfaction indicator of performance described in paragraph (2)(B)''; and

(B) in subparagraph (A)(ii), by striking ''paragraph (2)(C)'' and inserting ''paragraph (2)(B)''.

(2) INDICATORS OF PERFORMANCE.—Section 136(b)(2) (29 U.S.C. 2871(b)(2)) is amended—

(A) in subparagraph (A)(i), by striking ''(except for self-service and information activities) and (for participants who are eligible youth age 19 through 21) for youth activities authorized under section 129'';

(B) in subparagraph (A)(i)(II), by inserting ''and'' after the semicolon;

(C) in subparagraph (A)(i)(III), by striking ''; and'' and inserting a period;

(D) by striking subparagraph (A)(i)(IV);

(E) by amending subparagraph (A)(ii) to read as follows:

''(ii) CORE INDICATORS FOR ELIGIBLE YOUTH.—The core indicators of performance for youth activities authorized under section 129 shall consist of—

''(I) entry into employment, education or advanced training, or military service;

''(II) attainment of secondary school diploma, General Educational Development credential (GED), or other State-recognized equivalent (including recognized alternative standards for individuals with disabilities); and

''(III) literacy or numeracy gains.'';

(F) by striking subparagraph (B); and

(G) by redesignating subparagraph (C) as subparagraph (B), and by adding at the end of such subparagraph (as so redesignated) the following new sentence: ''Such indicators may include customer satisfaction of employers and participants with services received from the workforce investment activities authorized under this subtitle.''.

(3) LEVELS OF PERFORMANCE.—Section 136(b)(3)(A) (29 U.S.C. 2871(b)(3)(A)) is amended—

(A) in clause (i), by striking ''and the customer satisfaction indicator described in paragraph (2)(B)'';

(B) in clause (ii), by striking ''and the customer satisfaction indicator of performance, for the first 3'' and inserting ''for the 2'';

(C) in clause (iii)—

(i) in the heading, by striking ''FOR FIRST 3 YEARS''; and

(ii) by striking ''and the customer satisfaction indicator of performance, for the first 3'' and inserting ''for the 2'';

(D) in clause (iv)—

(i) by striking subclause (I);

(ii) by redesignating subclauses (II) and (III) as subclauses (I) and (II), respectively; and

(iii) in subclause (I) (as so redesignated)—

(I) by striking ''taking into account'' and inserting ''which shall be adjusted based on'';

(II) by inserting '', such as unemployment rates and job losses or gains in particular industries'' after ''economic conditions''; and

(III) by inserting '', such as indicators of poor work history, lack of work experience, low levels of literacy or English proficiency, disability status, including the number of veterans with disabilities, and welfare dependency'' after ''program'';

(E) by striking clause (v); and

(F) by redesignating clause (vi) as clause (v).

(4) ADDITIONAL INDICATORS.—Section 136(b)(3)(B) is amended by striking ''paragraph (2)(C)'' and inserting ''paragraph (2)(B)''.

(b) LOCAL PERFORMANCE MEASURES.—Section 136(c) (29 U.S.C 2871(c)) is amended—

(1) in paragraph (1)(A)(i), by striking '', and the customer satisfaction indicator of performance described in subsection (b)(2)(B),'';

(2) in paragraph (1)(A)(ii), by striking ''subsection (b)(2)(C)'' and inserting ''subsection (b)(2)(B)''; and

(3) by amending paragraph (3) to read as follows:

''(3) DETERMINATIONS.—In determining such local levels of performance, the local board, the chief elected official, and the Governor shall ensure such levels are adjusted based on the specific economic characteristics (such as unemployment rates and job losses or gains in particular industries), demographic characteristics, or other characteristics of the population to be served in the local area, such as poor work history, lack of work experience, low levels of literacy or English proficiency, disability status, including the number of veterans with disabilities, and welfare dependency.''.

(c) REPORT.—Section 136(d) (29 U.S.C. 2871(d)) is amended—

(1) in paragraph (1), by striking ''and the customer satisfaction indicator'' in both places that it appears;

(2) in paragraph (2)—

(A) in subparagraph (E), by striking ''(excluding participants who received only self-service and informational activities); and'' and inserting a semicolon;

(B) in subparagraph (F), by striking the period and inserting ''; and''; and

(C) by adding at the end the following:

''(G) the number of participants served and the cost per participant.''; and

(3) by adding at the end the following:

''(4) DATA VALIDATION.—In preparing the reports described in this subsection, the States shall establish procedures, consistent with guidelines issued by the Secretary, to ensure the information contained in the report is valid and reliable.''.

(d) SANCTIONS FOR STATE.—Section 136(g) (29 U.S.C. 2871(g)) is amended—

(1) in paragraph (1)(A), by striking ''or (B)''; and

(2) in paragraph (2), by striking ''section 503'' and inserting ''section 136(i)''.

(e) SANCTIONS FOR LOCAL AREAS.—Section 136(h) (29 U.S.C. 2871(h)) is amended—

(1) in paragraph (1), by striking ''or (B)''; and

(2) by amending paragraph (2)(B) to read as follows:

''(B) APPEAL TO GOVERNOR.—A local area that is subject to a reorganization plan under subparagraph (A) may, not later than 30 days after receiving notice of the reorganization plan, appeal to the Governor to rescind or revise such plan. In such case, the Governor shall make a final decision not later than 30 days after the receipt of the appeal.''.

(f) INCENTIVE GRANTS.—Section 136(i) (29 U.S.C. 2871(i)) is amended to read as follows:

''(i) INCENTIVE GRANTS FOR STATES AND LOCAL AREAS.—

''(1) INCENTIVE GRANTS FOR STATES.—

''(A) IN GENERAL.—From funds appropriated under section 174, the Secretary may award grants to States for exemplary performance in carrying programs under chapters 4 and 5 of this title. Such awards may be based on States meeting or exceeding the performance measures established under this section, on the performance of the State in serving special populations, including the levels of service provided and the performance outcomes, and such other factors relating to the performance of the State under this title as the Secretary determines is appropriate.

''(B) USE OF FUNDS.—The funds awarded to a State under this paragraph may be used to carry out any activities authorized under chapters 4 and 5 of this title, including demonstrations and innovative programs for special populations.

''(2) INCENTIVE GRANTS FOR LOCAL AREAS.—

''(A) IN GENERAL.—From funds reserved under sections 128(a) and 133(a), the Governor may award incentive grants to local areas for exemplary performance with respect to the measures established under this section and with the performance of the local area in serving special populations, including the levels of service and the performance outcomes.

''(B) USE OF FUNDS.—The funds awarded to a local area may be used to carry out activities authorized for local areas under chapters 4 and 5 of this title, and such demonstration or other innovative programs to serve special populations as may be approved by the Governor.''.

(g) USE OF CORE INDICATORS FOR OTHER PROGRAMS.—Section 136 (29 U.S.C. 2871) is further amended by adding at the end the following subsection:

''(j) USE OF CORE INDICATORS FOR OTHER PROGRAMS.—In addition to the programs carried out under chapters 4 and 5, and consistent with the requirements of the applicable authorizing laws, the Secretary shall use the core indicators of performance described in subsection (b)(2)(A) to assess the effectiveness of the programs described under section 121(b)(1)(B) that are carried out by the Secretary.''.

(h) REPEAL OF DEFINITIONS.—Sections 502 and 503 (and the items related to such sections in the table of contents) are repealed.

SEC. 114. AUTHORIZATION OF APPROPRIATIONS.

(a) YOUTH ACTIVITIES.—Section 137(a) (29 U.S.C. 2872(a)) is amended by striking ''such sums as may be necessary for each of fiscal years 1999 through 2003'' and inserting ''$1,250,000,000 for fiscal year 2006 and such sums as may be necessary for each of fiscal years 2007 through 2011''.

(b) ADULT EMPLOYMENT AND TRAINING ACTIVITIES.—Section 137(b) (29 U.S.C. 2872(b)) is amended by striking ''section 132(a)(1), such sums as may be necessary for each of fiscal years 1999 through 2003'' and inserting ''section 132(a), $3,140,000,000 for fiscal year 2006 and such sums as may be necessary for each of fiscal years 2007 through 2011''.

(c) DISLOCATED WORKER EMPLOYMENT AND TRAINING ACTIVITIES.—Section 137 is further amended by striking subsection (c).

SEC. 115. JOB CORPS.

(a) INDUSTRY COUNCILS.—Section 154(b) (29 U.S.C. 2894(b)) is amended—

(1) in paragraph (1)(A), by striking ''local and distant''; and

(2) by adding after paragraph (2) the following:

''(3) EMPLOYERS OUTSIDE OF LOCAL AREAS.—The industry council may include, or otherwise provide for consultation with, employers from outside the local area who are likely to hire a significant number of enrollees from the Job Corps center.''.

(b) INDICATORS OF PERFORMANCE AND ADDITIONAL INFORMATION.—Section 159(c) (29 U.S.C. 2893(c)) is amended—

(1) by amending paragraph (1) to read as follows:

''(1) CORE INDICATORS.—The Secretary shall annually establish expected levels of performance for Job Corps centers and the Job Corps program relating to each of the core indicators for youth identified in section 136(b)(2)(A)(ii).''; and

(2) in paragraph (2), by striking ''measures'' each place it appears and inserting ''indicators''.

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 161 (29 U.S.C. 2901) is amended by striking ''1999 through 2003'' and inserting ''2006 through 2011''.

SEC. 116. NATIVE AMERICAN PROGRAMS.

(a) ADVISORY COUNCIL.—Section 166(h)(4)(C) (29 U.S.C. 2911(h)(4)(C)) is amended to read as follows:

''(C) DUTIES.—The Council shall advise the Secretary on the operation and administration of the programs assisted under this section.''.

(b) ASSISTANCE TO AMERICAN SAMOANS IN HAWAII.—Section 166 (29 U.S.C. 2911) is further amended by striking subsection (j).

SEC. 117. MIGRANT AND SEASONAL FARMWORKER PROGRAMS.

Section 167(d) is amended by inserting ''(including permanent housing)'' after ''housing''.

SEC. 118. VETERANS' WORKFORCE INVESTMENT PROGRAMS.

Section 168(a)(3)(C) (29 U.S.C. 2913 (a)(3)(C)) is amended by striking ''section 134(c)'' and inserting ''section 121(e)''.

SEC. 119. YOUTH CHALLENGE GRANTS.

(a) IN GENERAL.—Section 169 (29 U.S.C. 2914) is amended to read as follows:

''SEC. 169. YOUTH CHALLENGE GRANTS.

''(a) IN GENERAL.—Of the amounts reserved by the Secretary under section 127(a)(1)(A) for a fiscal year—

''(1) the Secretary shall use not less than 80 percent to award competitive grants under subsection (b); and

''(2) the Secretary may use not more than 20 percent to award discretionary grants under subsection (c).

''(b) COMPETITIVE GRANTS TO STATES AND LOCAL AREAS.—

''(1) ESTABLISHMENT.—From the funds described in subsection (a)(1), the Secretary shall award competitive grants to eligible entities to carry out activities authorized under this section to assist eligible youth in acquiring the skills, credentials and employment experience necessary to succeed in the labor market.

''(2) ELIGIBLE ENTITIES.—Grants under this subsection may be awarded to States, local boards, recipients of grants under section 166 (relating to Native American programs), and public or private entities (including consortia of such entities) applying in conjunction with local boards.

''(3) GRANT PERIOD.—The Secretary may make a grant under this section for a period of 1 year and may renew the grants for each of the 4 succeeding years.

''(4) AUTHORITY TO REQUIRE MATCH.—The Secretary may require that grantees under this subsection provide a non-Federal share of the cost of activities carried out under a grant awarded under this subsection.

''(5) PARTICIPANT ELIGIBILITY.—Youth ages 14 through 19 as of the time the eligibility determination is made may be eligible to participate in activities provided under this subsection.

''(6) USE OF FUNDS.—Funds under this subsection may be used for activities that are designed to assist youth in acquiring the skills, credentials and employment experience that are necessary to succeed in the labor market, including the activities identified in section 129. The activities may include activities such as—

''(A) training and internships for out-of-school youth in sectors of the economy experiencing or projected to experience high growth;

''(B) after-school dropout prevention activities for in-school youth;

''(C) activities designed to assist special youth populations, such as court-involved youth and youth with disabilities; and

''(D) activities combining remediation of academic skills, work readiness training, and work experience, and including linkages to postsecondary education, apprenticeships, and career-ladder employment.

''(7) APPLICATIONS.—To be eligible to receive a grant under this subsection, an eligible entity shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require, including—

''(A) a description of the activities the eligible entity will provide to eligible youth under this subsection;

''(B) a description of the programs of demonstrated effectiveness on which the provision of the activities under subparagraph (A) are based, and a description of how such activities will expand the base of knowledge relating to the provision of activities for youth;

''(C) a description of the private and public, and local and State resources that will be leveraged to provide the activities described under subparagraph (A) in addition to the funds provided under this subsection; and

''(D) the levels of performance the eligible entity expects to achieve with respect to the indicators of performance for youth specified in section 136(b)(2)(A)(ii).

''(8) FACTORS FOR AWARD.—In awarding grants under this subsection the Secretary may

consider the quality of the proposed project, the goals to be achieved, the likelihood of successful implementation, the extent to which the project is based on proven strategies or the extent to which the project will expand the knowledge base on activities for youth, and the additional State, local or private resources that will be provided.

''(9) EVALUATION.—The Secretary may reserve up to 5 percent of the funds described in subsection(a)(1) to provide technical assistance to, and conduct evaluations of the projects funded under this subsection (using appropriate techniques as described in section 172(c)).

''(c) DISCRETIONARY GRANTS FOR YOUTH ACTIVITIES.—

''(1) IN GENERAL.—From the funds described in subsection(a)(2), the Secretary may award grants to eligible entities to provide activities that will assist youth in preparing for, and entering and retaining, employment.

''(2) ELIGIBLE ENTITIES.—Grants under this subsection may be awarded to public or private entities that the Secretary determines would effectively carry out activities relating to youth under this subsection.

''(3) PARTICIPANT ELIGIBILITY.—Youth ages 14 through 19 at the time the eligibility determination is made may be eligible to participate in activities under this subsection.

''(4) USE OF FUNDS.—Funds provided under this subsection may be used for activities that will assist youth in preparing for, and entering and retaining, employment, including the activities described in section 129 for out-of-school youth, activities designed to assist in-school youth to stay in school and gain work experience, and such other activities that the Secretary determines are appropriate.

''(5) APPLICATIONS.—To be eligible to receive a grant under this subsection, an eligible entity shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

''(6) ADDITIONAL REQUIREMENTS.—The Secretary may require the provision of a non-Federal share for projects funded under this subsection and may require participation of grantees in evaluations of such projects, including evaluations using the techniques as described in section 172(c).''.

(b) CLERICAL AMENDMENT.—The table of contents in section 1(b) is amended by amending the item related to section 169 to read as follows:

''Sec. 169. Youth challenge grants.''.

SEC. 120. TECHNICAL ASSISTANCE.

Section 170 (29 U.S.C. 2915) is amended—

(1) by striking subsection (b);

(2) by striking

''(a) GENERAL TECHNICAL ASSISTANCE.—'';

(3) by redesignating paragraphs (1), (2), and (3) as subsections (a), (b), and (c) respectively, and moving such subsections 2 ems to the left;

(4) in subsection (a) (as redesignated by paragraph (3))—

(A) by inserting ''the training of staff providing rapid response services, the training of other staff of recipients of funds under this title, peer review activities under this title, assistance regarding accounting and program operation practices (when such assistance would not be duplicative to assistance provided by the State), technical assistance to States that do not meet State performance measures described in section 136,'' after ''localities,''; and

(B) by striking ''from carrying out activities'' and all that follows up to the period and inserting ''to implement the amendments made by the Job Training Improvement Act of 2005''; and

(5) by inserting, after subsection (c) (as redesignated by paragraph (3)), the following:

''(d) BEST PRACTICES COORDINATION.—The Secretary shall establish a system whereby States may share information regarding best practices with regard to the operation of workforce investment activities under this Act.''.

SEC. 121. DEMONSTRATION, PILOT, MULTISERVICE, RESEARCH AND MULTISTATE PROJECTS.

(a) DEMONSTRATION AND PILOT PROJECTS.—Section 171(b) (29 U.S.C. 2916(b)) is amended—

(1) in paragraph (1)—

(A) by striking ''Under a'' and inserting ''Consistent with the priorities specified in the'';

(B) by amending subparagraphs (A) through (D) to read as follows:

''(A) projects that assist national employers in connecting with the workforce investment system established under this title in order to facilitate the recruitment and employment of needed workers and to provide information to such system on skills and occupations in demand;

''(B) projects that promote the development of systems that will improve the effectiveness and efficiency of programs carried out under this title;

''(C) projects that focus on opportunities for employment in industries and sectors of industries that are experiencing or are likely to experience high rates of growth, including those relating to information technology;

''(D) projects carried out by States and local areas to test innovative approaches to delivering employment-related services;'';

(C) by striking subparagraph (E);

(D) by redesignating subparagraphs (F) and (G) as subparagraphs (E) and (F), respectively;

(E) in subparagraph (F) (as so redesignated, by striking ''; and'' and inserting a semicolon;

(F) by inserting after subparagraph (F) (as so redesignated) the following:

''(G) projects that provide retention grants to qualified job training programs upon placement or retention of a low-income individual trained by that program in employment with a single employer for a period of 1 year, provided that such employment is providing to the low-income individual an income not less than twice the poverty line for that individual;'';

(G) by amending subparagraph (H) to read as follows:

''(H) projects that focus on opportunities for employment in industries and sectors of industries that are being transformed by technology and innovation requiring new knowledge or skill sets for workers, including advanced manufacturing; and''; and

(H) by adding at the end the following:

''(I) projects carried out by States and local areas to assist adults or out of school youth in starting a small business, including training and assistance in business or financial management or in developing other skills necessary to operate a business.''; and

(2) in paragraph (2)—

(A) by striking subparagraph (B); and

(B) by redesignating subparagraph (C) as subparagraph (B).

(b) MULTISERVICE PROJECTS.—Section 171(c)(2)(B) (29 U.S.C. 2916(c)(2)(B)) is amended to read as follows:

''(B) NET IMPACT STUDIES AND REPORTS.—The Secretary shall conduct studies to determine the net impacts of programs, services, and activities carried out under this title. The Secretary shall prepare and disseminate to Congress and the public reports containing the results of such studies.''.

SEC. 122. COMMUNITY-BASED JOB TRAINING.

Section 171(d) of the Workforce Investment Act of 1998 is amended to read as follows:

''(d) COMMUNITY-BASED JOB TRAINING.—

''(1) DEMONSTRATION PROJECT.—In addition to the demonstration projects under subsection (b), the Secretary may establish and implement a national demonstration project designed to develop local solutions to the workforce challenges facing high-growth, high-skill industries with labor shortages, and increase opportunities for workers to gain access to employment in high-growth, high-demand occupations by promoting the establishment of partnerships among education entities, the workforce investment system, and businesses in high-growth, high-skill industries.

''(2) GRANTS.—In carrying out the demonstration project under this subsection, the Secretary shall award competitive grants, in accordance with generally applicable Federal requirements, to eligible entities to carry out activities authorized under this subsection.

''(3) DEFINITIONS.—

''(A) ELIGIBLE ENTITY.—In this subsection, the term 'eligible entity' means a community college or consortium of community colleges that shall work in conjunction with—

''(i) the local workforce investment system; and

''(ii) business or businesses in a qualified industry or an industry association in a qualified industry.

''(B) QUALIFIED INDUSTRY.—In this subsection, the term 'qualified industry' means an industry or economic sector that is projected to experience significant growth, such as an industry and economic sector that—

''(i) is projected to add substantial numbers of new jobs to the economy;

''(ii) has significant impact on the economy;

''(iii) impacts the growth of other industries and economic sectors;

''(iv) is being transformed by technology and innovation requiring new knowledge or skill sets for workers;

''(v) is a new or emerging industry or economic sector that is projected to grow; or

''(vi) has high-skilled occupations and significant labor shortages in the local area.

''(C) COMMUNITY COLLEGE.—As used in this subsection, the term 'community college' means an institution of higher education, as defined in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001), that provides not less than a 2-year program that is acceptable for full credit toward a bachelor's degree, or is a tribally controlled college or university.

''(4) AUTHORITY TO REQUIRE NON-FEDERAL SHARE.—The Secretary may require that recipients of grants under this subsection provide a non-Federal share, from either cash or noncash resources, of the costs of activities carried out under a grant awarded under this subsection.

''(5) USE OF FUNDS.—Grants awarded under this subsection may be used for—

''(A) the development, by a community college, in consultation with representatives of qualified industries, of rigorous training and education programs related to employment in a qualified industry identified in the eligible entity's application;

''(B) training of adults and dislocated workers in the skills and competencies needed to obtain or upgrade employment in a qualified industry identified in the eligible entity's application;

''(C) disseminating to adults and dislocated workers, through the one-stop delivery system, information on high-growth, high-demand occupations in qualified industries;

''(D) placing, through the one-stop delivery system, trained individuals into employment in qualified industries; and

''(E) increasing the integration of community colleges with activities of businesses and the one-stop delivery system to meet the training needs for qualified industries.

''(6) APPLICATIONS.—To be eligible to receive a grant under this subsection, an eligible entity shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require, including—

''(A) a description of the community college that will offer training under the grant;

''(B) an economic analysis of the local labor market to identify high-growth, high-demand industries and identify the workforce issues faced by those industries;

''(C) a description of the qualified industry for which training will occur and the availability of competencies on which training will be based;

''(D) an assurance that the application was developed in consultation with the local board or boards in the area or areas where the proposed grant will be used;

''(E) performance outcomes for the grant, including expected number of individuals to be trained in a qualified industry, the employment and retention rates for such individuals in a qualified industry, and earnings increases for such individuals;

''(F) a description of how the activities funded by the proposed grant will be coordinated with activities provided through the one-stop delivery system in the local area or areas; and

''(G) a description of any local or private resources that will support the activities carried out under this subsection and allow the entity to carry out and expand such activities after the expiration of the grant.

''(7) FACTORS FOR AWARD OF GRANT.—

''(A) IN GENERAL.—In awarding grants under this subsection the Secretary shall consider—

''(i) the extent of public and private collaboration, including existing partnerships among industries, community colleges, and the public workforce investment system;

''(ii) the extent to which the grant will provide job seekers with employment opportunities in high-growth, high-demand occupations;

''(iii) the extent to which the grant will expand the local one-stop delivery system's capacity to be demand-driven and responsive to local economic needs;

''(iv) the extent to which local businesses commit to hire or retain individuals who receive training through the grant; and

''(v) the extent to which the eligible entity commits to make any newly developed products, such as competencies or training curriculum, available for distribution nationally.

''(B) LEVERAGING OF RESOURCES.—In awarding grants under this subsection, the Secretary shall also consider—

''(i) the extent to which local or private resources, in addition to the funds provided under this subsection, will be made available to support the activities carried out under this subsection; and

''(ii) the ability of an eligible entity to continue to carry out and expand such activities after the expiration of the grant.

''(C) DISTRIBUTION OF GRANTS.—In awarding grants under this subsection the Secretary shall ensure an equitable distribution of such grants across geographically diverse areas.

''(8) PERFORMANCE ACCOUNTABILITY AND EVALUATION.—

''(A) PERFORMANCE ACCOUNTABILITY.—The Secretary shall require an eligible entity that receives a grant under this subsection to report to the Secretary on the employment outcomes obtained by individuals receiving training under this subsection using the indicators of performance identified in the eligible entity's grant application.

''(B) EVALUATION.—The Secretary may require that an eligible entity that receives a grant under this subsection participate in an evaluation of activities carried out under this subsection, including an evaluation using the techniques described in section 172(c).''.

SEC. 123. PERSONAL REEMPLOYMENT ACCOUNTS.

Section 171 of the Workforce Investment Act of 1998 is further amended by adding at the end the following:

''(e) PERSONAL REEMPLOYMENT ACCOUNTS.—

''(1) DEFINITION.—In this subsection, the term 'State' means each of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and the United States Virgin Islands.

''(2) DEMONSTRATION PROJECT.—In addition to the demonstration projects under subsection (b), the Secretary may establish and implement a national demonstration project designed to analyze and provide data on workforce training programs that accelerate the reemployment of unemployed individuals, promote the retention in employment of such individuals, and provide such individuals with enhanced flexibility, choice, and control in obtaining intensive reemployment, training, and supportive services.

''(3) GRANTS.—

''(A) IN GENERAL.—In carrying out the demonstration project, the Secretary shall make grants, on a competitive basis, to eligible entities to provide personal reemployment accounts to eligible individuals. In awarding grants under this subsection the Secretary shall take into consideration awarding grants to eligible entities from diverse geographic areas, including rural areas.

''(B) DURATION.—The Secretary shall make the grants for periods of not less than 2 years and may renew the grant for each of the succeeding 3 years.

''(4) ELIGIBLE ENTITY.—In this subsection, the term 'eligible entity' means—

''(A) a State; or

''(B) a local board or consortium of local boards.

''(5) USE OF FUNDS.—

''(A) IN GENERAL.—An eligible entity that receives a grant under this subsection shall use the grant funds to provide, through a local area or areas, eligible individuals with personal reemployment accounts. An eligible individual may receive only 1 personal reemployment account.

''(B) GEOGRAPHIC AREA AND AMOUNT.—

''(i) IN GENERAL.—The eligible entity shall establish the amount of a personal reemployment account for each eligible individual participating, which shall be uniform throughout the area represented by the eligible entity, and shall not exceed $3,000.

''(ii) OPTION FOR STATES.—If the eligible entity is a State, the eligible entity may choose to use the grant statewide, if practicable, or only in specified local areas within a State.

''(C) ELIGIBLE INDIVIDUALS.—

''(i) IN GENERAL.—Each eligible entity shall establish eligibility criteria for individuals for personal reemployment accounts in accordance with this subparagraph.

''(ii) ELIGIBILITY CRITERIA REQUIREMENTS.—

''(I) IN GENERAL.—Subject to subclause (II), an individual shall be eligible to receive a personal reemployment account under a grant awarded under this subsection if, beginning after the date of enactment of this subsection, the individual—

''(aa) is identified by the State pursuant to section 303(j)(1) of the Social Security Act (42 U.S.C. 503(j)(1)) as likely to exhaust regular unemployment compensation and in need of job search assistance to make a successful transition to new employment, or the individual's unemployment can be attributed in substantial part to unfair competition from Federal Prison Industries, Incorporated;

''(bb) is receiving regular unemployment compensation under any Federal or State unemployment compensation program administered by the State; and

''(cc) is eligible for not less than 20 weeks of regular unemployment compensation described in item (bb).

''(II) ADDITIONAL ELIGIBILITY AND PRIORITY CRITERIA.—An eligible entity may establish criteria that are in addition to the criteria described in subclause (I) for the eligibility of individuals to receive a personal reemployment account under this subsection. An eligible entity may also establish criteria for priority in the provision of a personal reemployment account to such eligible individuals under a grant awarded under this subsection.

''(iii) TRANSITION RULE.—

''(I) PREVIOUSLY IDENTIFIED AS LIKELY TO EXHAUST UNEMPLOYMENT COMPENSATION.—

''(aa) IN GENERAL.—At the option of the eligible entity, and subject to item (bb), an individual may be eligible to receive a personal reemployment account under this subsection if the individual—

''(AA) during the 13-week period ending the week prior to the date of the enactment of the subsection, was identified by the State pursuant to section 303(j)(1) of the Social Security Act (42 U.S.C. 503(j)(1)) as likely to exhaust regular unemployment compensation and in need of job search assistance to make a successful transition to new employment; and

''(BB) otherwise meets the requirements of clause (ii)(I)(bb) and (cc).

''(bb) ADDITIONAL ELIGIBILITY AND PRIORITY CRITERIA.—An eligible entity may establish criteria that is in addition to the criteria described in item (aa) for the eligibility of individuals to receive a personal reemployment account under this subsection. An eligible entity may also establish criteria for priority in the provision of such accounts to such eligible individuals under this subsection.

''(II) PREVIOUSLY EXHAUSTED UNEMPLOYMENT COMPENSATION.—At the option of the eligible entity, an individual may be eligible to receive a personal reemployment account under a grant awarded under this subsection if the individual—

''(aa) during the 26-week period ending the week prior to the date of the enactment of this subsection, exhausted all rights to any unemployment compensation; and

''(bb)(AA) is enrolled in training and needs additional support to complete such training, with a priority of service to be provided to such individuals who are training for shortage occupations or high-growth industries; or

''(BB) is separated from employment in an industry or occupation that has experienced declining employment, or no longer provides any employment, in the local labor market during the 2-year period ending on the date of the determination of eligibility of the individual under this subparagraph.

''(iv) NO INDIVIDUAL ENTITLEMENT.—Nothing in this subsection shall be construed to entitle any individual to receive a personal reemployment account.

''(D) LIMITATIONS.—

''(i) INFORMATION AND ATTESTATION.—Prior to the establishment of a personal reemployment account for an eligible individual, the eligible entity receiving a grant, through the one-stop delivery system in the participating local area or areas, shall ensure that the individual—

''(I) is informed of the requirements applicable to the personal reemployment account, including the allowable uses of funds from the account, the limitations on access to services described in paragraph (7)(A)(iii) and a description of such services, and the conditions for receiving a reemployment bonus;

''(II) has the option to develop a personal reemployment plan which will identify the employment goals and appropriate combination of services selected by the individual to achieve the employment goals; and

''(III) signs an attestation that the individual has been given the option to develop a personal reemployment plan in accordance with subclause (II), will comply with the requirements under this subsection relating to the personal reemployment accounts, and will reimburse the

account or, if the account has been terminated, the grant awarded under this subsection, for any amounts expended from the account that are not allowable.

''(ii) PERIODIC INTERVIEWS.—If a recipient exhausts his or her rights to any unemployment compensation, and the recipient has a remaining balance in his or her personal reemployment account, the one-stop delivery system shall conduct periodic interviews with the recipient to assist the recipient in meeting his or her individual employment goals.

''(iii) USE OF PERSONAL REEMPLOYMENT ACCOUNTS.—The eligible entity receiving a grant shall ensure that eligible individuals receiving a personal reemployment account use the account in accordance with paragraph (7).

''(6) APPLICATION FOR GRANTS.—To be eligible to receive a grant under this subsection, an eligible entity shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require, including—

''(A) if the eligible entity is a State—

''(i) assurance that the application was developed in conjunction with the local board or boards and chief elected officials where the personal reemployment accounts shall be made available; and

''(ii) a description of the methods and procedures for providing funds to local areas where the personal reemployment accounts shall be made available;

''(B) a description of the criteria and methods to be used for determining eligibility for the personal reemployment account, including whether the eligible entity intends to include the optional categories described in paragraph (5)(C)(iii), and the additional criteria and priority for service that the eligible entity intends to apply, if any, pursuant to paragraph (5)(C)(ii)(II);

''(C) a description of the methods or procedures to be used to provide eligible individuals information relating to services and providers;

''(D) a description of safeguards to ensure that funds from the personal reemployment accounts are used for purposes authorized under this subsection and to ensure the quality and integrity of services and providers, consistent with the purpose of providing eligible individuals with enhanced flexibility, choice, and control in obtaining intensive reemployment, training, and supportive services;

''(E) a description of how the eligible entity will coordinate the activities carried out under this subsection with the employment and training activities carried out under section 134 and other activities carried out by local boards through the one-stop delivery system in the State or local area; and

''(F) an assurance that the eligible entity will comply with any evaluation and reporting requirements the Secretary may require.

''(7) USE OF PERSONAL REEMPLOYMENT ACCOUNTS.—

''(A) ALLOWABLE ACTIVITIES.—

''(i) IN GENERAL.—Subject to the requirements contained in clauses (ii) and (iii), a recipient of a personal reemployment account may use amounts in a personal reemployment account to purchase 1 or more of the following:

''(I) Intensive services, including those type of services specified in section 134(d)(3)(C).

''(II) Training services, including those types of services specified in section 134(d)(4)(D).

''(III) Supportive services, except for needs related payments.

''(ii) DELIVERY OF SERVICES.—The following requirements relating to delivery of services shall apply to the grants under this subsection:

''(I) Recipients may use funds from the personal reemployment account to purchase the services described in clause (i) through the one-stop delivery system on a fee-for-service basis, or through other providers, consistent with the safeguards described in paragraph (6)(D).

''(II) The eligible entity, through the one-stop delivery system in the participating local area, may pay costs for such services directly on behalf of the recipient, through a voucher system, or by reimbursement to the recipient upon receipt of appropriate cost documentation.

''(III) Each eligible entity, through the one-stop delivery system in the participating local area, shall make available to recipients information on training providers specified in section 134(d)(4)(F)(ii), information available to the one-stop delivery system on providers of the intensive and supportive services described in clause (i), and information relating to occupations in demand in the local area.

''(iii) LIMITATIONS.—The following limitations shall apply with respect to personal reemployment accounts under this subsection:

''(I) Amounts in a personal reemployment account may be used for up to 1 year from the date of the establishment of the account.

''(II) Each recipient shall submit cost documentation as required by the one-stop delivery system.

''(III) For the 1-year period following the establishment of the account, recipients may not receive intensive, supportive, or training services funded under this title except on a fee-for-services basis as specified in clause (ii)(I).

''(IV) Amounts in a personal reemployment account shall be nontransferable.

''(B) REEMPLOYMENT BONUS.—

''(i) IN GENERAL.—Subject to clause (ii)—

''(I) if a recipient determined eligible under paragraph (5)(C)(ii) obtains full-time employment before the 13th week of unemployment for which unemployment compensation is paid, the balance of his or her personal reemployment account shall be provided directly to the recipient in cash; and

''(II) if a recipient determined eligible under paragraph (5)(C)(iii) obtains full-time employment before the end of the 13th week after the date on which the account is established, the balance of his or her personal reemployment account shall be provided directly to the recipient in cash.

''(ii) LIMITATIONS.—The following limitations shall apply with respect to a recipient described in clause (i):

''(I) 60 percent of the remaining personal reemployment account balance shall be paid to the recipient at the time of employment.

''(II) 40 percent of the remaining personal reemployment account shall be paid to the recipient after 26 weeks of employment retention.

''(iii) EXCEPTION REGARDING SUBSEQUENT EMPLOYMENT.—If a recipient described in clause (i) subsequently becomes unemployed due to a lack of work after receiving the portion of the reemployment bonus specified under clause (ii)(I), the individual may use the amount remaining in the personal reemployment account for the purposes described in subparagraph (A) but may not be eligible for additional cash payments under this subparagraph.

''(8) PROGRAM INFORMATION AND EVALUATION.—

''(A) INFORMATION.—The Secretary may require from eligible entities the collection and reporting on such financial, performance, and other program-related information as the Secretary determines is appropriate to carry out this subsection, including the evaluation described in subparagraph (B).

''(B) EVALUATION.—

''(i) IN GENERAL.—The Secretary, pursuant to the authority provided under section 172, shall, directly or through grants, contracts, or cooperative agreement with appropriate entities, conduct an evaluation of the activities carried out under any grants awarded under this subsection.

''(ii) REPORT.—The report to Congress under section 172(e) relating to the results of the evaluations required under section 172 shall include the recommendation of the Secretary with respect to the use of personal reemployment account as a mechanism to assist individuals in obtaining and retaining employment.''.

SEC. 124. TRAINING FOR REALTIME WRITERS.

Section 171 of the Workforce Investment Act of 1998 is further amended by adding at the end the following:

''(f) TRAINING FOR REALTIME WRITERS.—

''(1) IN GENERAL.—The Secretary may make competitive grants to eligible entities under paragraph (2)(A) to promote training and placement of individuals as realtime writers in order to meet the requirements for closed captioning of video programming set forth in section 723 of the Communications Act of 1934 (47 U.S.C. 613) and the rules prescribed thereunder.

''(2) LIMITATIONS.—

''(A) ELIGIBLE ENTITIES.—For purposes of this subsection, an eligible entity is a court reporting or realtime writing training program that—

''(i) can document and demonstrate to the Secretary that it meets appropriate standards of educational and financial accountability, with a curriculum capable of training realtime writers, qualified to provide captioning services and includes arrangements to assist in the placement of such individuals in employment as realtime writers; and

''(ii) is and entity that—

''(I) is an eligible provider of training services under section 122; or

''(II) is accredited by an accrediting agency recognized by the Department of Education; and participates in student aid programs under title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.).

''(B) PRIORITY IN GRANTS.—In determining whether to award grants under this section, the Secretary shall give priority to eligible entities that—

''(i) demonstrate the greatest ability to increase their capacity to train realtime writers;

''(ii) demonstrate the most promising collaboration with local workforce investment boards, local educational institutions, businesses, labor organizations, or other community-based organization having the potential to train or provide job placement assistance to realtime writers; and

''(iii) propose the most promising and innovative approaches for initiating or expanding training or job placement assistance efforts for realtime writers.

''(C) DURATION OF GRANT.—A grant under this subsection shall be for a period of 2 years.

''(D) MAXIMUM AMOUNT OF GRANT.—The amount of a grant provided under paragraph (1) to an entity eligible may not exceed $1,500,000.

''(3) APPLICATION.—To receive a grant under paragraph (1), an eligible entity shall submit an application to the Secretary at such time and in such manner as the Secretary may require. The application shall include—

''(A) a description of the training and assistance to be funded using the grant amount, including how such training and assistance will increase the number of realtime writers;

''(B) a description of performance measures to be utilized to evaluate the progress of individuals receiving such training and assistance in matters relating to enrollment, completion of training, and job placement and retention;

''(C) a description of the manner in which the eligible entity intends to continue providing the training and assistance to be funded by the grant after the end of the grant period, including any partnerships or arrangements established for that purpose;

''(D) a description of how the eligible entity will work with local workforce investment

boards to ensure that training and assistance to be funded with the grant will further local workforce goals, including the creation of educational opportunities for individuals who are from economically disadvantaged backgrounds or are dislocated workers; and

''(E) such other information as the Secretary may require.

''(4) USE OF FUNDS.—

''(A) IN GENERAL.—An eligible entity receiving a grant under paragraph (1) shall use the grant amount for purposes relating to the recruitment, training, assistance, and job placement of individuals (including individuals who have completed a court reporting training program) as realtime writers, including—

''(i) recruitment activities;

''(ii) the provision of training grants to individuals for training in realtime writing;

''(iii) distance learning;

''(iv) design and development of curriculum to more effectively train realtime writing skills and education in the knowledge bases necessary for the delivery of high quality closed captioning services;

''(v) assistance in job placement for upcoming and recent graduates with all types of captioning employers; and

''(vi) encouragement of individuals with disabilities to pursue a career in realtime writing.

''(B) ADMINISTRATIVE COSTS.—The recipient of a grant under paragraph (1) may not use more than 5 percent of the grant amount to pay administrative costs associated with activities funded by the grant.

''(5) REPORTS.—Each eligible entity receiving a grant under paragraph (1) shall submit to the Secretary, at the end of each year of the grant period, a report which shall include—

''(A) a description of the use of grant amounts by the entity during such year;

''(B) an assessment, utilizing the performance measures submitted by the entity in the application for the grant under paragraph (2)(D), of the effectiveness of activities carried out using such funds in increasing the number of realtime writers; and

''(C) a description of the best practices identified by the entity as a result of the grant for increasing the number of individuals who are trained, employed, and retained in employment as realtime writers.''.

SEC. 125. BUSINESS PARTNERSHIP GRANTS.

Section 171 (29 U.S.C. 2916) is further amended by adding at the end the following:

''(g) BUSINESS PARTNERSHIP GRANTS.—

''(1) DEMONSTRATION PROJECT.—In addition to the demonstration projects under subsection (b), (d), and (e), the Secretary may make up to 10 competitive grants per year to eligible entities to expand local sector-focused training and workforce development in high growth, high wage industry sectors in one or more regions of particular States.

''(2) ELIGIBLE ENTITIES.—For purposes of this subsection an eligible entity is a business or business partnership, including associations of single or related industry employers and employee representatives, consortia of such employers, employee representatives, and workforce development community-based organizations, and higher education institutions.

''(3) USE OF FUNDS.—Grants awarded under this subsection may be used to—

''(A) provide workforce-directed business services to help employers in targeted industries better retain, support and advance their skilled workers;

''(B) provide capacity building through regional skill alliances, workforce intermediaries, and other collaborative entities to link businesses to public workforce systems and service providers targeted for their industry;

''(C) conduct analyses of skills that are needed in the workforce in such industries currently and in the future to project new market opportunities in particular industries;

''(D) develop rigorous training and education programs related to employment in high-growth, high-wage industries;

''(E) develop skill standards and industry-certified curricula used in preparing workers for employment in such industries;

''(F) train adults and dislocated workers in the skills and competencies needed to obtain or upgrade employment;

''(G) disseminate information on high-growth, high-wage occupations;

''(H) place trained individuals into employment in high-growth, high-wage industries;

''(I) increase integration between training providers, businesses, and the one-stop delivery system to meet the training needs of particular industries.

''(4) REPORTS.—The Secretary shall track and annually report to the chairmen and ranking minority members of the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor and Pensions of the Senate, on the industries receiving grants under this subsection, the performance results of each such grant, and the percentage and amount of grants awarded to eligible entities for programs serving each of the following populations: incumbent workers, dislocated workers, adults, and youth.''.

SEC. 126. NATIONAL DISLOCATED WORKER GRANTS.

(a) IN GENERAL.—Section 173 (29 U.S.C. 2916) is amended—

(1) by amending the designation and heading to read as follows:

''SEC. 173. NATIONAL DISLOCATED WORKER GRANTS.''; and

(2) in subsection (a)—

(A) by striking ''national emergency grants'' in the matter preceding paragraph (1) and inserting ''national dislocated worker grants''; and

(B) in paragraph (1), by striking ''subsection (c)'' and inserting ''subsection (b)''.

(b) ADMINISTRATION.—Section 173 (29 U.S.C. 2918) is further amended—

(1) by striking subsection (b) and redesignating subsections (c) and (d) as subsections (b) and (c), respectively; and

(2) by striking subsection (e) and redesignating subsections (f) and (g) as subsection (d) and (e), respectively.

(c) ELIGIBLE ENTITIES.—Section 173(b)(1)(B) (29 U.S.C. 2918(b)(1)(B)) (as redesignated by subsection (b)(1) of this section) is amended by striking '', and other entities'' and all that follows and inserting a period.

(d) PARTICIPANT ELIGIBILITY FOR MILITARY SPOUSES.—Section 173(b)(2)(A) (29 U.S.C. 2918(b)(2)(A)) (as redesignated by subsection (b)(1) of this section) is amended—

(1) in clause (iii), by striking ''; or'' and inserting a semicolon;

(2) in clause (iv)(IV) by striking the period and inserting ''; or''; and

(3) by inserting at the end the following:

''(v) is the spouse of a member of the Armed Forces who is on active duty or full-time National Guard duty, or who was recently separated from such duties, and such spouse is in need of employment and training assistance to obtain or retain employment.''.

(e) CONFORMING AMENDMENT.—The table of contents in section 1(b) is amended by amending the item related to section 173 to read as follows:

''Sec. 173. National dislocated worker grants.''.

SEC. 127. AUTHORIZATION OF APPROPRIATIONS FOR NATIONAL ACTIVITIES.

(a) IN GENERAL.—Section 174(a)(1) (29 U.S.C. 2919(a)(1)) is amended by striking ''1999 through 2003'' and inserting ''2006 through 2011''.

(b) RESERVATIONS.—Section 174(b) is amended to read as follows:

''(b) TECHNICAL ASSISTANCE; DEMONSTRATION AND PILOT PROJECTS; EVALUATIONS; INCENTIVE GRANTS.—

''(1) DEMONSTRATION AND PILOT PROJECTS.—

''(A) IN GENERAL.—There are authorized to be appropriated to carry out section 171, $211,000,000 for fiscal year 2006 and such sums as may be necessary for fiscal years 2007 through 2011.

''(B) RESERVATION FOR COMMUNITY-BASED JOB TRAINING.—Of the amount appropriated pursuant to subparagraph (A), the Secretary shall reserve up to $125,000,000 for carrying out section 171(d).

''(2) TECHNICAL ASSISTANCE, EVALUATIONS.—There are authorized to be appropriated to carry out section 170, section 172, and section 136 such sums as may be necessary for each of fiscal years 2006 through 2011.''.

SEC. 128. REQUIREMENTS AND RESTRICTIONS.

(a) IN GENERAL.—Section 181(c)(2)(A) (29 U.S.C. 2931(c)(2)(A)) is amended in the matter preceding clause (i) by striking ''shall'' and inserting ''may''.

(b) LIMITATIONS.—Section 181(e) (29 U.S.C. 2931(e)) is amended by striking ''training for'' and inserting ''the entry into employment, retention in employment, or increases in earnings of''.

(c) REPORTS TO CONGRESS.—Section 185(e)(2) (29 U.S.C. 2935(e)(2)) is amended by inserting ''and the Secretary shall submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate,'' after ''Secretary,''.

SEC. 129. NONDISCRIMINATION.

Section 188(a)(2) (29 U.S.C. 2931(a)(2)) is amended to read as follows:

''(2) PROHIBITION OF DISCRIMINATION REGARDING PARTICIPATION, BENEFITS, AND EMPLOYMENT.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), no individual shall be excluded from participation in, denied the benefits of, subjected to discrimination under, or denied employment in the administration of or in connection with, any such program or activity because of race, color, religion, sex (except as otherwise permitted under title IX of the Education Amendments of 1972), national origin, age, disability, or political affiliation or belief.

''(B) EXEMPTION FOR RELIGIOUS ORGANIZATIONS.—Subparagraph (A) shall not apply to a recipient of financial assistance under this title that is a religious corporation, association, educational institution, or society, with respect to the employment of individuals of a particular religion to perform work connected with the carrying on by such corporation, association, educational institution, or society of its activities. Such recipients shall comply with the other requirements contained in subparagraph (A).''.

SEC. 130. ADMINISTRATIVE PROVISIONS.

(a) PROGRAM YEAR.—Section 189(g)(1) (29 U.S.C. 2939(g)(1)) is amended to read as follows:

''(1) IN GENERAL.—Appropriations for any fiscal year for programs and activities carried out under this title shall be available for obligation only on the basis of a program year. The program year shall begin on July 1 in the fiscal year for which the appropriation is made.''.

(b) AVAILABILITY.—Section 189(g)(2) (29 U.S.C. 2939(g)(2)) is amended by striking ''each State'' and inserting ''each recipient''.

(c) GENERAL WAIVERS.—Section 189(i)(4) (29 U.S.C. 2939(i)(4)) is amended—

(1) in subparagraph (A), in the matter preceding clause (i), by inserting '', or in accordance with subparagraph (D)'' after ''subparagraph (B)''; and

(2) by adding the following subparagraph:

''(D) EXPEDITED PROCESS FOR EXTENDING APPROVED WAIVERS TO ADDITIONAL STATES.—In lieu of the requirements of subparagraphs (B) and (C), the Secretary may establish an expedited procedure for the purpose of extending to additional States the waiver of statutory or regulatory requirements that have been approved for a State pursuant to a request under subparagraph (B). Such procedure shall ensure that the extension of such waivers to additional States are accompanied by appropriate conditions relating the implementation of such waivers.''.

SEC. 131. GENERAL PROGRAM REQUIREMENTS.

Section 195 (29 U.S.C. 2945) is amended by adding at the end the following new paragraphs:

''(14) Funds provided under this title shall not be used to establish or operate stand-alone fee-for-service enterprises that compete with private sector employment agencies within the meaning of section 701(c) of the Civil Rights Act of 1964 (42 U.S.C. 2000e(c)). For purposes of this paragraph, such an enterprise does not include one-stop centers.

''(15) Any report required to be submitted to Congress, or to a Committee of Congress, under this title shall be submitted to both the chairmen and ranking minority members of the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate.''.

TITLE II—ADULT EDUCATION, BASIC SKILLS, AND FAMILY LITERACY EDUCATION

SEC. 201. TABLE OF CONTENTS.

The table of contents in section 1(b) is amended by amending the items relating to title II to read as follows:

SEC. 202. AMENDMENT.

Title II (29 U.S.C. 2901 et seq.) is amended to read as follows:

''TITLE II—ADULT EDUCATION, BASIC SKILLS, AND FAMILY LITERACY EDUCATION

''SEC. 201. SHORT TITLE.

''This title may be cited as the 'Adult Education, Basic Skills, and Family Literacy Education Act'.

''SEC. 202. PURPOSE.

''It is the purpose of this title to provide instructional opportunities for adults seeking to improve their literacy skills, including their basic reading, writing, speaking, and math skills, and support States and local communities in providing, on a voluntary basis, adult education, basic skills, and family literacy education programs, in order to—

''(1) increase the literacy of adults, including the basic reading, writing, speaking, and math skills, to a level of proficiency necessary for adults to obtain employment and self-sufficiency and to successfully advance in the workforce;

''(2) assist adults in the completion of a secondary school education (or its equivalent) and the transition to a postsecondary educational institution;

''(3) assist adults who are parents to enable them to support the educational development of their children and make informed choices regarding their children's education including, through instruction in basic reading, writing, speaking, and math skills; and

''(4) assist immigrants who are not proficient in English in improving their reading, writing, speaking, and math skills and acquiring an understanding of the American free enterprise system, individual freedom, and the responsibilities of citizenship.

''SEC. 203. DEFINITIONS.

''In this title:

''(1) ADULT EDUCATION, BASIC SKILLS, AND FAMILY LITERACY EDUCATION PROGRAMS.—The term 'adult education, basic skills, and family literacy education programs' means a sequence of academic instruction and educational services below the postsecondary level that increase an individual's ability to read, write, and speak in English and perform mathematical computations leading to a level of proficiency equivalent to at least a secondary school completion that is provided for individuals—

''(A) who are at least 16 years of age;

''(B) who are not enrolled or required to be enrolled in secondary school under State law; and

''(C) who—

''(i) lack sufficient mastery of basic reading, writing, speaking, and math skills to enable the individuals to function effectively in society;

''(ii) do not have a secondary school diploma, General Educational Development credential (GED), or other State-recognized equivalent and have not achieved an equivalent level of education; or

''(iii) are unable to read, write, or speak the English language.

''(2) ELIGIBLE AGENCY.—The term 'eligible agency'—

''(A) means the primary entity or agency in a State or an outlying area responsible for administering or supervising policy for adult education, basic skills, and family literacy education programs in the State or outlying area, respectively, consistent with the law of the State or outlying area, respectively; and

''(B) may be the State educational agency, the State agency responsible for administering workforce investment activities, or the State agency responsible for administering community or technical colleges.

''(3) ELIGIBLE PROVIDER.—The term 'eligible provider' means—

''(A) a local educational agency;

''(B) a community-based or faith-based organization of demonstrated effectiveness;

''(C) a volunteer literacy organization of demonstrated effectiveness;

''(D) an institution of higher education;

''(E) a public or private educational agency;

''(F) a library;

''(G) a public housing authority;

''(H) an institution that is not described in any of subparagraphs (A) through (G) and has the ability to provide adult education, basic skills, and family literacy education programs to adults and families; or

''(I) a consortium of the agencies, organizations, institutions, libraries, or authorities described in any of subparagraphs (A) through (H).

''(4) ENGLISH LANGUAGE ACQUISITION PROGRAM.—The term 'English language acquisition program' means a program of instruction designed to help individuals with limited English proficiency achieve competence in reading, writing, and speaking the English language.

''(5) ESSENTIAL COMPONENTS OF READING INSTRUCTION.—The term 'essential components of reading instruction' has the meaning given to that term in section 1208 of the Elementary and Secondary Education Act of 1965.

''(6) FAMILY LITERACY EDUCATION PROGRAM.—The term 'family literacy education program' means an educational program that—

''(A) assists parents and students, on a voluntary basis, in achieving the purposes of this title as described in section 202; and

''(B) is of sufficient intensity in terms of hours and of sufficient duration to make sustainable changes in a family, is based upon scientific research-based principles, and, for the purpose of substantially increasing the ability of parents and children to read, write, and speak English, integrates—

''(i) interactive literacy activities between parents and their children;

''(ii) training for parents regarding how to be the primary teacher for their children and full partners in the education of their children;

''(iii) parent literacy training that leads to economic self-sufficiency; and

''(iv) an age-appropriate education to prepare children for success in school and life experiences.

''(7) GOVERNOR.—The term 'Governor' means the chief executive officer of a State or outlying area.

''(8) INDIVIDUAL WITH A DISABILITY.—

''(A) IN GENERAL.—The term 'individual with a disability' means an individual with any disability (as defined in section 3 of the Americans with Disabilities Act of 1990).

''(B) INDIVIDUALS WITH DISABILITIES.—The term 'individuals with disabilities' means more than one individual with a disability.

''(9) INDIVIDUAL WITH LIMITED ENGLISH PROFICIENCY.—The term 'individual with limited English proficiency' means an adult or out-of-school youth who has limited ability in reading, writing, speaking, or understanding the English language, and—

''(A) whose native language is a language other than English; or

''(B) who lives in a family or community environment where a language other than English is the dominant language.

''(10) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education' has the meaning given to that term in section 101 of the Higher Education Act of 1965.

''(11) LITERACY.—The term 'literacy' means an individual's ability to read, write, and speak in English, compute, and solve problems at a level of proficiency necessary to obtain employment and to successfully make the transition to postsecondary education.

''(12) LOCAL EDUCATIONAL AGENCY.—The term 'local educational agency' has the meaning given to that term in section 9101 of the Elementary and Secondary Education Act of 1965.

''(13) OUTLYING AREA.—The term 'outlying area' has the meaning given to that term in section 101 of this Act.

''(14) POSTSECONDARY EDUCATIONAL INSTITUTION.—The term 'postsecondary educational institution' means—

''(A) an institution of higher education that provides not less than a 2-year program of instruction that is acceptable for credit toward a bachelor's degree;

''(B) a tribally controlled community college; or

''(C) a nonprofit educational institution offering certificate or apprenticeship programs at the postsecondary level.

''(15) READING.—The term 'reading' has the meaning given to that term in section 1208 of the Elementary and Secondary Education Act of 1965.

''(16) SCIENTIFICALLY BASED RESEARCH.—The term 'scientifically based research' has the meaning given to that term in section 9101 of the Elementary and Secondary Education Act of 1965.

''(17) SECRETARY.—The term 'Secretary' means the Secretary of Education.

''(18) STATE.—The term 'State' means each of the several States of the United States, the District of Columbia, and the Commonwealth of Puerto Rico.

''(19) STATE EDUCATIONAL AGENCY.—The term 'State educational agency' has the meaning given to that term in section 9101 of the Elementary and Secondary Education Act of 1965.

''(20) WORKPLACE LITERACY PROGRAM.—The term 'workplace literacy program' means an educational program that is offered in collaboration between eligible providers and employers or employee organizations for the purpose of improving the productivity of the workforce through the improvement of reading, writing, speaking, and math skills.

''SEC. 204. HOME SCHOOLS.

''Nothing in this title shall be construed to affect home schools, whether or not a home school is treated as a home school or a private school under State law, or to compel a parent engaged in home schooling to participate in an English language acquisition program, a family literacy education program, or an adult education, basic skills, and family literacy education program.

''SEC. 205. AUTHORIZATION OF APPROPRIATIONS.

''There are authorized to be appropriated to carry out this title $590,127,000 for fiscal year 2006 and such sums as may be necessary for fiscal years 2007 through 2011.

''CHAPTER 1—FEDERAL PROVISIONS

''SEC. 211. RESERVATION OF FUNDS; GRANTS TO ELIGIBLE AGENCIES; ALLOTMENTS.

''(a) RESERVATION OF FUNDS.—From the sums appropriated under section 205 for a fiscal year, the Secretary—

''(1) shall reserve up to 1.72 percent for incentive grants under section 213;

''(2) shall reserve 1.75 percent to carry out section 242; and

''(3) shall reserve up to 1.55 percent to carry out section 243.

''(b) GRANTS TO ELIGIBLE AGENCIES.—

''(1) IN GENERAL.—From the sums appropriated under section 205 and not reserved under subsection (a) for a fiscal year, the Secretary shall award a grant to each eligible agency having a State plan approved under section 224 in an amount equal to the sum of the initial allotment under subsection (c)(1) and the additional allotment under subsection (c)(2) for the eligible agency for the fiscal year, subject to subsections (f) and (g).

''(2) PURPOSE OF GRANTS.—The Secretary may award a grant under paragraph (1) only if the eligible agency involved agrees to expend the grant in accordance with the provisions of this title.

''(c) ALLOTMENTS.—

''(1) INITIAL ALLOTMENTS.—From the sums appropriated under section 205 and not reserved under subsection (a) for a fiscal year, the Secretary shall allot to each eligible agency having a State plan approved under section 224—

''(A) $100,000, in the case of an eligible agency serving an outlying area; and

''(B) $250,000, in the case of any other eligible agency.

''(2) ADDITIONAL ALLOTMENTS.—From the sums appropriated under section 205, not reserved under subsection (a), and not allotted under paragraph (1), for a fiscal year, the Secretary shall allot to each eligible agency that receives an initial allotment under paragraph (1) an additional amount that bears the same relationship to such sums as the number of qualifying adults in the State or outlying area served by the eligible agency bears to the number of such adults in all States and outlying areas.

''(d) QUALIFYING ADULT.—For the purpose of subsection (c)(2), the term 'qualifying adult' means an adult who—

''(1) is at least 16 years of age;

''(2) is beyond the age of compulsory school attendance under the law of the State or outlying area;

''(3) does not have a secondary school diploma, General Educational Development credential (GED), or other State-recognized equivalent; and

''(4) is not enrolled in secondary school.

''(e) SPECIAL RULE.—

''(1) IN GENERAL.—From amounts made available under subsection (c) for the Republic of Palau, the Secretary shall award grants to Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, or the Republic of Palau to carry out activities described in this title in accordance with the provisions of this title as determined by the Secretary.

''(2) TERMINATION OF ELIGIBILITY.—Notwithstanding any other provision of law, the Republic of Palau shall be eligible to receive a grant under this title until an agreement for the extension of United States education assistance under the Compact of Free Association for the Republic of Palau becomes effective.

''(3) ADMINISTRATIVE COSTS.—The Secretary may provide not more than 5 percent of the funds made available for grants under this subsection to pay the administrative costs of the Pacific Region Educational Laboratory regarding activities assisted under this subsection.

''(f) HOLD-HARMLESS PROVISIONS.—

''(1) IN GENERAL.—Notwithstanding subsection (c), and subject to paragraphs (2) and (3), for fiscal year 2006 and each succeeding fiscal year, no eligible agency shall receive an allotment under this title that is less than 90 percent of the allotment the eligible agency received for the preceding fiscal year under this title.

''(2) EXCEPTION.—An eligible agency that receives for the preceding fiscal year only an initial allotment under subsection (c)(1) (and no additional allotment under subsection (c)(2)) shall receive an allotment equal to 100 percent of the initial allotment.

''(3) RATABLE REDUCTION.—If for any fiscal year the amount available for allotment under this title is insufficient to satisfy the provisions of paragraph (1), the Secretary shall ratably reduce the payments to all eligible agencies, as necessary.

''(g) REALLOTMENT.—The portion of any eligible agency's allotment under this title for a fiscal year that the Secretary determines will not be required for the period such allotment is available for carrying out activities under this title, shall be available for reallotment from time to time, on such dates during such period as the Secretary shall fix, to other eligible agencies in proportion to the original allotments to such agencies under this title for such year.

''SEC. 212. PERFORMANCE ACCOUNTABILITY SYSTEM.

''(a) PURPOSE.—The purpose of this section is to establish a comprehensive performance accountability system, composed of the activities described in this section, to assess the effectiveness of eligible agencies in achieving continuous improvement of adult education, basic skills, and family literacy education programs funded under this title, in order to optimize the return on investment of Federal funds in adult education, basic skills, and family literacy education programs.

''(b) ELIGIBLE AGENCY PERFORMANCE MEASURES.—

''(1) IN GENERAL.—For each eligible agency, the eligible agency performance measures shall consist of—

''(A)(i) the core indicators of performance described in paragraph (2)(A); and

''(ii) employment performance indicators identified by the eligible agency under paragraph (2)(B); and

''(B) an eligible agency adjusted level of performance for each indicator described in subparagraph (A).

''(2) INDICATORS OF PERFORMANCE.—

''(A) CORE INDICATORS OF PERFORMANCE.—The core indicators of performance shall include the following:

''(i) Measurable improvements in literacy, including basic skill levels in reading, writing, and speaking the English language and basic math, leading to proficiency in each skill.

''(ii) Receipt of a secondary school diploma, General Educational Development credential (GED), or other State-recognized equivalent.

''(iii) Placement in postsecondary education or other training programs.

''(B) EMPLOYMENT PERFORMANCE INDICATORS.—Consistent with applicable Federal and State privacy laws, an eligible agency shall identify in the State plan the following individual participant employment performance indicators:

''(i) Entry into employment.

''(ii) Retention in employment.

''(iii) Increase in earnings.

''(3) LEVELS OF PERFORMANCE.—

''(A) ELIGIBLE AGENCY ADJUSTED LEVELS OF PERFORMANCE FOR CORE INDICATORS.—

''(i) IN GENERAL.—For each eligible agency submitting a State plan, there shall be established, in accordance with this subparagraph, levels of performance for each of the core indicators of performance described in paragraph (2)(A) for adult education, basic skills, and family literacy education programs authorized under this title. The levels of performance established under this subparagraph shall, at a minimum—

''(I) be expressed in an objective, quantifiable, and measurable form; and

''(II) show the progress of the eligible agency toward continuously and significantly improving the agency's performance outcomes in an objective, quantifiable, and measurable form.

''(ii) IDENTIFICATION IN STATE PLAN.—Each eligible agency shall identify, in the State plan submitted under section 224, expected levels of performance for each of the core indicators of performance for the first 3 program years covered by the State plan.

''(iii) AGREEMENT ON ELIGIBLE AGENCY ADJUSTED LEVELS OF PERFORMANCE FOR FIRST 3 YEARS.—In order to ensure an optimal return on the investment of Federal funds in adult education, basic skills, and family literacy education programs authorized under this title, the Secretary and each eligible agency shall reach agreement on levels of student performance for each of the core indicators of performance, for the first 3 program years covered by the State plan, taking into account the levels identified in the State plan under clause (ii) and the factors described in clause (iv). The levels agreed to under this clause shall be considered to be the eligible agency adjusted levels of performance for the eligible agency for such years and shall be incorporated into the State plan prior to the approval of such plan.

''(iv) FACTORS.—The agreement described in clause (iii) or (v) shall take into account—

''(I) how the levels involved compare with the eligible agency's adjusted levels of performance, taking into account factors including the characteristics of participants when the participants entered the program; and

''(II) the extent to which such levels promote continuous and significant improvement in performance on the student proficiency measures used by such eligible agency and ensure optimal return on the investment of Federal funds.

''(v) AGREEMENT ON ELIGIBLE AGENCY ADJUSTED LEVELS OF PERFORMANCE FOR SECOND 3 YEARS.—Prior to the fourth program year covered by the State plan, the Secretary and each eligible agency shall reach agreement on levels of student performance for each of the core indicators of performance for the fourth, fifth, and sixth program years covered by the State plan, taking into account the factors described in clause (iv). The levels agreed to under this clause shall be considered to be the eligible agency adjusted levels of performance for the eligible agency for such years and shall be incorporated into the State plan.

''(vi) REVISIONS.—If unanticipated circumstances arise in a State resulting in a significant change in the factors described in clause (iv)(I), the eligible agency may request that the eligible agency adjusted levels of performance agreed to under clause (iii) or (v) be revised.

''(B) LEVELS OF EMPLOYMENT PERFORMANCE.—The eligible agency shall identify, in the State plan, eligible agency levels of performance for each of the employment performance indicators described in paragraph (2)(B). Such levels shall be considered to be eligible agency adjusted levels of performance for purposes of this title.

''(c) REPORT.—

''(1) IN GENERAL.—Each eligible agency that receives a grant under section 211(b) shall annually prepare and submit to the Secretary, the Governor, the State legislature, and eligible providers a report on the progress of the eligible agency in achieving eligible agency performance measures, including the following:

''(A) Information on the levels of performance achieved by the eligible agency with respect to the core indicators of performance and employment performance indicators.

''(B) The number and type of each eligible provider that receives funding under such grant.

''(2) INFORMATION DISSEMINATION.—The Secretary—

''(A) shall make the information contained in such reports available to the general public through publication (including on the Internet site of the Department of Education) and other appropriate methods;

''(B) shall disseminate State-by-State comparisons of the information; and

''(C) shall provide the appropriate committees of the Congress with copies of such reports.

''SEC. 213. INCENTIVE GRANTS FOR STATES.

''(a) IN GENERAL.—From funds appropriated under section 211(a)(1), the Secretary may award grants to States for exemplary performance in carrying out programs under this title. Such awards shall be based on States exceeding the core indicators of performance established under section 212(b)(2)(A) and may be based on the performance of the State in serving populations, such as those described in section 224(b)(10), including the levels of service provided and the performance outcomes, and such other factors relating to the performance of the State under this title as the Secretary determines appropriate.

''(b) USE OF FUNDS.—The funds awarded to a State under this paragraph may be used to carry out any activities authorized under this title, including demonstrations and innovative programs for hard-to-serve populations.

''CHAPTER 2—STATE PROVISIONS

''SEC. 221. STATE ADMINISTRATION.

''Each eligible agency shall be responsible for the following activities under this title:

''(1) The development, submission, implementation, and monitoring of the State plan.

''(2) Consultation with other appropriate agencies, groups, and individuals that are involved in, or interested in, the development and implementation of activities assisted under this title.

''(3) Coordination and avoidance of duplication with other Federal and State education, training, corrections, public housing, and social service programs.

''SEC. 222. STATE DISTRIBUTION OF FUNDS; MATCHING REQUIREMENT.

''(a) STATE DISTRIBUTION OF FUNDS.—Each eligible agency receiving a grant under this title for a fiscal year—

''(1) shall use an amount not less than 82.5 percent of the grant funds to award grants and contracts under section 231 and to carry out section 225, of which not more than 10 percent of such amount shall be available to carry out section 225;

''(2) shall use not more than 12.5 percent of the grant funds to carry out State leadership activities under section 223; and

''(3) shall use not more than 5 percent of the grant funds, or $75,000, whichever is greater, for the administrative expenses of the eligible agency.

''(b) MATCHING REQUIREMENT.—

''(1) IN GENERAL.—In order to receive a grant from the Secretary under section 211(b), each eligible agency shall provide, for the costs to be incurred by the eligible agency in carrying out the adult education, basic skills, and family literacy education programs for which the grant is awarded, a non-Federal contribution in an amount at least equal to—

''(A) in the case of an eligible agency serving an outlying area, 12 percent of the total amount of funds expended for adult education, basic skills, and family literacy education programs in the outlying area, except that the Secretary may decrease the amount of funds required under this subparagraph for an eligible agency; and

''(B) in the case of an eligible agency serving a State, 25 percent of the total amount of funds expended for adult education, basic skills, and family literacy education programs in the State.

''(2) NON-FEDERAL CONTRIBUTION.—An eligible agency's non-Federal contribution required under paragraph (1) may be provided in cash or in kind, fairly evaluated, and shall include only non-Federal funds that are used for adult education, basic skills, and family literacy education programs in a manner that is consistent with the purpose of this title.

''SEC. 223. STATE LEADERSHIP ACTIVITIES.

''(a) IN GENERAL.—Each eligible agency may use funds made available under section 222(a)(2) for any of the following adult education, basic skills, and family literacy education programs:

''(1) The establishment or operation of professional development programs to improve the quality of instruction provided pursuant to local activities required under section 231(b), including instruction incorporating the essential components of reading instruction and instruction provided by volunteers or by personnel of a State or outlying area.

''(2) The provision of technical assistance to eligible providers of adult education, basic skills, and family literacy education programs, including for the development and dissemination of scientifically based research instructional practices in reading, writing, speaking, math, and English language acquisition programs.

''(3) The provision of assistance to eligible providers in developing, implementing, and reporting measurable progress in achieving the objectives of this title.

''(4) The provision of technology assistance, including staff training, to eligible providers of adult education, basic skills, and family literacy education programs, including distance learning activities, to enable the eligible providers to improve the quality of such activities.

''(5) The development and implementation of technology applications or distance learning, including professional development to support the use of instructional technology.

''(6) Coordination with other public programs, including welfare-to-work, workforce development, and job training programs.

''(7) Coordination with existing support services, such as transportation, child care, and other assistance designed to increase rates of enrollment in, and successful completion of, adult education, basic skills, and family literacy education programs, for adults enrolled in such activities.

''(8) The development and implementation of a system to assist in the transition from adult basic education to postsecondary education.

''(9) Activities to promote workplace literacy programs.

''(10) Activities to promote and complement local outreach initiatives described in section 243(7).

''(11) Other activities of statewide significance, including assisting eligible providers in achieving progress in improving the skill levels of adults who participate in programs under this title.

''(12) Integration of literacy, instructional, and occupational skill training and promotion of linkages with employees.

''(b) COORDINATION.—In carrying out this section, eligible agencies shall coordinate where possible, and avoid duplicating efforts, in order to maximize the impact of the activities described in subsection (a).

''(c) STATE-IMPOSED REQUIREMENTS.—Whenever a State or outlying area implements any rule or policy relating to the administration or operation of a program authorized under this title that has the effect of imposing a requirement that is not imposed under Federal law (including any rule or policy based on a State or outlying area interpretation of a Federal statute, regulation, or guideline), the State or outlying area shall identify, to eligible providers, the rule or policy as being imposed by the State or outlying area.

''SEC. 224. STATE PLAN.

''(a) 6-YEAR PLANS.—

''(1) IN GENERAL.—Each eligible agency desiring a grant under this title for any fiscal year shall submit to, or have on file with, the Secretary a 6-year State plan.

''(2) COMPREHENSIVE PLAN OR APPLICATION.—The eligible agency may submit the State plan as part of a comprehensive plan or application for Federal education assistance.

''(b) PLAN CONTENTS.—The eligible agency shall include in the State plan or any revisions to the State plan—

''(1) an objective assessment of the needs of individuals in the State or outlying area for adult education, basic skills, and family literacy education programs, including individuals most in need or hardest to serve;

''(2) a description of the adult education, basic skills, and family literacy education programs that will be carried out with funds received under this title;

''(3) a description of how the eligible agency will evaluate and measure annually the effectiveness and improvement of the adult education, basic skills, and family literacy education programs based on the performance measures described in section 212 including—

''(A) how the eligible agency will evaluate and measure annually such effectiveness on a grant-by-grant basis; and

''(B) how the eligible agency—

''(i) will hold eligible providers accountable regarding the progress of such providers in improving the academic achievement of participants in adult education programs under this title and regarding the core indicators of performance described in section 212(b)(2)(A); and

''(ii) will use technical assistance, sanctions, and rewards (including allocation of grant funds based on performance and termination of grant funds based on nonperformance);

''(4) a description of the performance measures described in section 212 and how such performance measures have significantly improved adult education, basic skills, and family literacy education programs in the State or outlying area;

''(5) an assurance that the eligible agency will, in addition to meeting all of the other requirements of this title, award not less than one grant under this title to an eligible provider that—

''(A) offers flexible schedules and necessary support services (such as child care and transportation) to enable individuals, including individuals with disabilities, or individuals with other special needs, to participate in adult education, basic skills, and family literacy education programs; and

''(B) attempts to coordinate with support services that are not provided under this title prior to using funds for adult education, basic skills, and family literacy education programs provided under this title for support services;

''(6) an assurance that the funds received under this title will not be expended for any purpose other than for activities under this title;

''(7) a description of how the eligible agency will fund local activities in accordance with the measurable goals described in section 231(d);

''(8) an assurance that the eligible agency will expend the funds under this title only in a manner consistent with fiscal requirements in section 241;

''(9) a description of the process that will be used for public participation and comment with respect to the State plan, which process—

''(A) shall include consultation with the State workforce investment board, the State board responsible for administering community or technical colleges, the Governor, the State educational agency, the State board or agency responsible for administering block grants for temporary assistance to needy families under title IV of the Social Security Act, the State council on disabilities, the State vocational rehabilitation agency, other State agencies that promote the improvement of adult education, basic skills, and family literacy education programs, and direct providers of such programs; and

''(B) may include consultation with the State agency on higher education, institutions responsible for professional development of adult education, basic skills, and family literacy education programs instructors, representatives of business and industry, refugee assistance programs, and faith-based organizations;

''(10) a description of the eligible agency's strategies for serving populations that include, at a minimum—

''(A) low-income individuals;

''(B) individuals with disabilities;

''(C) the unemployed;

''(D) the underemployed; and

''(E) individuals with multiple barriers to educational enhancement, including individuals with limited English proficiency;

''(11) a description of how the adult education, basic skills, and family literacy education programs that will be carried out with any funds received under this title will be integrated with other adult education, career development, and employment and training activities in the State or outlying area served by the eligible agency;

''(12) a description of the steps the eligible agency will take to ensure direct and equitable access, as required in section 231(c)(1), including—

''(A) how the State will build the capacity of community-based and faith-based organizations to provide adult education, basic skills, and family literacy education programs; and

''(B) how the State will increase the participation of business and industry in adult education, basic skills, and family literacy education programs;

''(13) an assessment of the adequacy of the system of the State or outlying area to ensure teacher quality and a description of how the State or outlying area will use funds received under this subtitle to improve teacher quality, including professional development on the use of scientifically based research to improve instruction; and

''(14) a description of how the eligible agency will consult with any State agency responsible for postsecondary education to develop adult education that prepares students to enter postsecondary education without the need for remediation upon completion of secondary school equivalency programs.

''(c) PLAN REVISIONS.—When changes in conditions or other factors require substantial revisions to an approved State plan, the eligible agency shall submit the revisions of the State plan to the Secretary.

''(d) CONSULTATION.—The eligible agency shall—

''(1) submit the State plan, and any revisions to the State plan, to the Governor, the chief State school officer, or the State officer responsible for administering community or technical colleges, or outlying area for review and comment; and

''(2) ensure that any comments regarding the State plan by the Governor, the chief State school officer, or the State officer responsible for administering community or technical colleges, and any revision to the State plan, are submitted to the Secretary.

''(e) PLAN APPROVAL.—A State plan submitted to the Secretary shall be approved by the Secretary only if the plan is consistent with the specific provisions of this title.

''SEC. 225. PROGRAMS FOR CORRECTIONS EDUCATION AND OTHER INSTITUTIONALIZED INDIVIDUALS.

''(a) PROGRAM AUTHORIZED.—From funds made available under section 222(a)(1) for a fiscal year, each eligible agency shall carry out corrections education and education for other institutionalized individuals.

''(b) USES OF FUNDS.—The funds described in subsection (a) shall be used for the cost of educational programs for criminal offenders in correctional institutions and for other institutionalized individuals, including academic programs for—

''(1) basic skills education;

''(2) special education programs as determined by the eligible agency;

''(3) reading, writing, speaking, and math programs; and

''(4) secondary school credit or diploma programs or their recognized equivalent.

''(c) PRIORITY.—Each eligible agency that is using assistance provided under this section to carry out a program for criminal offenders within a correctional institution shall give priority to serving individuals who are likely to leave the correctional institution within 5 years of participation in the program.

''(d) DEFINITIONS.—For purposes of this section:

''(1) CORRECTIONAL INSTITUTION.—The term 'correctional institution' means any—

''(A) prison;

''(B) jail;

''(C) reformatory;

''(D) work farm;

''(E) detention center; or

''(F) halfway house, community-based rehabilitation center, or any other similar institution designed for the confinement or rehabilitation of criminal offenders.

''(2) CRIMINAL OFFENDER.—The term 'criminal offender' means any individual who is charged with, or convicted of, any criminal offense.

''CHAPTER 3—LOCAL PROVISIONS

''SEC. 231. GRANTS AND CONTRACTS FOR ELIGIBLE PROVIDERS.

''(a) GRANTS AND CONTRACTS.—From grant funds made available under section 211(b), each eligible agency shall award multiyear grants or contracts, on a competitive basis, to eligible providers within the State or outlying area that meet the conditions and requirements of this title to enable the eligible providers to develop, implement, and improve adult education, basic skills, and family literacy education programs within the State.

''(b) LOCAL ACTIVITIES.—The eligible agency shall require eligible providers receiving a grant or contract under subsection (a) to establish or operate one or more programs of instruction that provide services or instruction in one or more of the following categories:

''(1) Adult education, basic skills, and family literacy education programs (including proficiency in reading, writing, speaking, and math).

''(2) Workplace literacy programs.

''(3) English language acquisition programs.

''(4) Family literacy education programs.

''(c) DIRECT AND EQUITABLE ACCESS; SAME PROCESS.—Each eligible agency receiving funds under this title shall ensure that—

''(1) all eligible providers have direct and equitable access to apply for grants or contracts under this section; and

''(2) the same grant or contract announcement process and application process is used for all eligible providers in the State or outlying area.

''(d) MEASURABLE GOALS.—The eligible agency shall require eligible providers receiving a grant or contract under subsection (a) to demonstrate—

''(1) the eligible provider's measurable goals for participant outcomes to be achieved annually on the core indicators of performance and employment performance indicators described in section 212(b)(2);

''(2) the past effectiveness of the eligible provider in improving the basic academic skills of adults and, for eligible providers receiving grants in the prior year, the success of the eligible provider receiving funding under this title in exceeding its performance goals in the prior year;

''(3) the commitment of the eligible provider to serve individuals in the community who are the most in need of basic academic skills instruction services, including individuals who are low-income or have minimal reading, writing, speaking, and math skills, or limited English proficiency;

''(4) the program—

''(A) is of sufficient intensity and duration for participants to achieve substantial learning gains; and

''(B) uses instructional practices that include the essential components of reading instruction;

''(5) educational practices are based on scientifically based research;

''(6) the activities of the eligible provider effectively employ advances in technology, as appropriate, including the use of computers;

''(7) the activities provide instruction in real-life contexts, when appropriate, to ensure that an individual has the skills needed to compete in the workplace and exercise the rights and responsibilities of citizenship;

''(8) the activities are staffed by well-trained instructors, counselors, and administrators;

''(9) the activities are coordinated with other available resources in the community, such as through strong links with elementary schools and secondary schools, postsecondary educational institutions, one-stop centers, job training programs, community-based and faith-based organizations, and social service agencies;

''(10) the activities offer flexible schedules and support services (such as child care and transportation) that are necessary to enable individuals, including individuals with disabilities or other special needs, to attend and complete programs;

''(11) the activities include a high-quality information management system that has the capacity to report measurable participant outcomes and to monitor program performance against the performance measures established by the eligible agency;

''(12) the local communities have a demonstrated need for additional English language acquisition programs;

''(13) the capacity of the eligible provider to produce valid information on performance results, including enrollments and measurable participant outcomes;

''(14) adult education, basic skills, and family literacy education programs offer rigorous reading, writing, speaking, and math content that are based on scientifically based research; and

''(15) applications of technology, and services to be provided by the eligible providers, are of sufficient intensity and duration to increase the amount and quality of learning and lead to measurable learning gains within specified time periods.

''(e) SPECIAL RULE.—Eligible providers may use grant funds under this title to serve children participating in family literacy programs assisted under this part, provided that other sources of funds available to provide similar services for such children are used first.

''SEC. 232. LOCAL APPLICATION.

''Each eligible provider desiring a grant or contract under this title shall submit an application to the eligible agency containing such information and assurances as the eligible agency may require, including—

''(1) a description of how funds awarded under this title will be spent consistent with the requirements of this title;

''(2) a description of any cooperative arrangements the eligible provider has with other agencies, institutions, or organizations for the delivery of adult education, basic skills, and family literacy education programs; and

''(3) each of the demonstrations required by section 231(d).

''SEC. 233. LOCAL ADMINISTRATIVE COST LIMITS.

''(a) IN GENERAL.—Subject to subsection (b), of the amount that is made available under this title to an eligible provider—

''(1) at least 95 percent shall be expended for carrying out adult education, basic skills, and family literacy education programs; and

''(2) the remaining amount shall be used for planning, administration, personnel and professional development, development of measurable goals in reading, writing, speaking, and math, and interagency coordination.

''(b) SPECIAL RULE.—In cases where the cost limits described in subsection (a) are too restrictive to allow for adequate planning, administration, personnel development, and interagency coordination, the eligible provider may negotiate with the eligible agency in order to determine an adequate level of funds to be used for noninstructional purposes.

''CHAPTER 4—GENERAL PROVISIONS

''SEC. 241. ADMINISTRATIVE PROVISIONS.

''(a) SUPPLEMENT NOT SUPPLANT.—Funds made available for adult education, basic skills, and family literacy education programs under this title shall supplement and not supplant other State or local public funds expended for adult education, basic skills, and family literacy education programs.

''(b) MAINTENANCE OF EFFORT.—

''(1) IN GENERAL.—

''(A) DETERMINATION.—An eligible agency may receive funds under this title for any fiscal year if the Secretary finds that the fiscal effort per student or the aggregate expenditures of such eligible agency for activities under this title, in the second preceding fiscal year, were not less than 90 percent of the fiscal effort per student or the aggregate expenditures of such eligible agency for adult education, basic skills, and family literacy education programs, in the third preceding fiscal year.

''(B) PROPORTIONATE REDUCTION.—Subject to paragraphs (2), (3), and (4), for any fiscal year with respect to which the Secretary determines under subparagraph (A) that the fiscal effort or the aggregate expenditures of an eligible agency for the preceding program year were less than such effort or expenditures for the second preceding program year, the Secretary—

''(i) shall determine the percentage decreases in such effort or in such expenditures; and

''(ii) shall decrease the payment made under this title for such program year to the agency for adult education, basic skills, and family literacy education programs by the lesser of such percentages.

''(2) COMPUTATION.—In computing the fiscal effort and aggregate expenditures under paragraph (1), the Secretary shall exclude capital expenditures and special one-time project costs.

''(3) DECREASE IN FEDERAL SUPPORT.—If the amount made available for adult education, basic skills, and family literacy education programs under this title for a fiscal year is less than the amount made available for adult education, basic skills, and family literacy education programs under this title for the preceding fiscal year, then the fiscal effort per student and the aggregate expenditures of an eligible agency required in order to avoid a reduction under paragraph (1)(B) shall be decreased by the same percentage as the percentage decrease in the amount so made available.

''(4) WAIVER.—The Secretary may waive the requirements of this subsection for not more than 1 fiscal year, if the Secretary determines that a waiver would be equitable due to exceptional or uncontrollable circumstances, such as a natural disaster or an unforeseen and precipitous decline in the financial resources of the State or outlying area of the eligible agency. If the Secretary grants a waiver under the preceding sentence for a fiscal year, the level of effort required under paragraph (1) shall not be reduced in the subsequent fiscal year because of the waiver.

''SEC. 242. NATIONAL INSTITUTE FOR LITERACY.

''(a) IN GENERAL.—

''(1) PURPOSE.—The purpose of the National Institute for Literacy is to promote the improvement of literacy, including skills in reading, writing, and English language acquisition for children, youth, and adults, through practices derived from the findings of scientifically based research.

''(2) ESTABLISHMENT.—There is established a National Institute for Literacy (in this section referred to as the 'Institute'). The Institute shall be administered under the terms of an interagency agreement entered into, reviewed annually, and modified as needed by the Secretary of Education with the Secretary of Health and Human Services and the Secretary of Labor (in this section referred to as the 'Interagency Group').

''(3) OFFICES.—The Institute shall have offices separate from the offices of the Department of Education, the Department of Health and Human Services, and the Department of Labor.

''(4) ADMINISTRATIVE SUPPORT.—The Department of Education shall provide administrative support for the Institute.

''(5) DAILY OPERATIONS.—The Director of the Institute shall administer the daily operations of the Institute.

''(b) DUTIES.—

''(1) IN GENERAL.—To carry out its purpose, the Institute may—

''(A) identify and disseminate rigorous scientific research on the effectiveness of instructional practices and organizational strategies relating to programs on the acquisition of skills in reading, writing, and English language acquisition for children, youth, and adults;

''(B) create and widely disseminate materials about the acquisition and application of skills in reading, writing, and English language acquisition for children, youth, and adults based on scientifically based research;

''(C) ensure a broad understanding of scientifically based research on reading, writing, and English language acquisition for children, youth, and adults among Federal agencies with responsibilities for administering programs that provide related services, including State and local educational agencies;

''(D) facilitate coordination and information sharing among national organizations and associations interested in programs that provide services to improve skills in reading, writing, and English language acquisition for children, youth, and adults;

''(E) coordinate with the appropriate offices in the Department of Education, the Department of Health and Human Services, the Department of Labor, and other Federal agencies to apply the findings of scientifically based research related to programs on reading, writing, and English language acquisition for children, youth, and adults;

''(F) establish a national electronic database and Internet site describing and fostering communication on scientifically based programs in reading, writing, and English language acquisition for children, youth, and adults, including professional development programs; and

''(G) provide opportunities for technical assistance, meetings, and conferences that will foster increased coordination among Federal, State, and local agencies and entities and improvement of reading, writing, and English language acquisition skills for children, youth, and adults.

''(2) COORDINATION.—In identifying scientifically based research on reading, writing, and English language acquisition for children, youth, and adults, the Institute shall use standards for research quality that are consistent with those established by the Institute of Education Sciences.

''(3) GRANTS, CONTRACTS, AND COOPERATIVE AGREEMENTS.—

''(A) IN GENERAL.—The Institute may award grants to, or enter into contracts or cooperative agreements with, individuals, public or private institutions, agencies, organizations, or consortia of such individuals, institutions, agencies, or organizations, to carry out the activities of the Institute.

''(B) REGULATIONS.—The Director may adopt the general administrative regulations of the Department of Education, as applicable, for use by the Institute.

''(C) RELATION TO OTHER LAWS.—The duties and powers of the Institute under this title are in addition to the duties and powers of the Institute under subparts 1, 2, and 3 of part B of the Elementary and Secondary Education Act of 1965 (commonly referred to as Reading First, Early Reading First, and the William F. Goodling Even Start Family Literacy Program, respectively).

''(c) VISITING SCHOLARS.—The Institute may establish a visiting scholars program, with such stipends and allowances as the Director considers necessary, for outstanding researchers, scholars, and individuals who—

''(1) have careers in adult education, workforce development, or scientifically based reading, writing, or English language acquisition; and

''(2) can assist the Institute in translating research into practice and providing analysis that advances instruction in the fields of reading, writing, and English language acquisition for children, youth, and adults.

''(d) INTERNS AND VOLUNTEERS.—The Institute, in consultation with the National Institute for Literacy Advisory Board, may award paid and unpaid internships to individuals seeking to assist the Institute in carrying out its purpose. Notwithstanding section 1342 of title 31, United States Code, the Institute may accept and use voluntary and uncompensated services as the Institute determines necessary.

''(e) NATIONAL INSTITUTE FOR LITERACY ADVISORY BOARD.—

''(1) ESTABLISHMENT.—

''(A) IN GENERAL.—There shall be a National Institute for Literacy Advisory Board (in this section referred to as the 'Board'), which shall consist of 10 individuals appointed by the President with the advice and consent of the Senate.

''(B) QUALIFICATIONS.—The Board shall be composed of individuals who—

''(i) are not otherwise officers or employees of the Federal Government; and

''(ii) are knowledgeable about current effective scientifically based research findings on instruction in reading, writing, and English language acquisition for children, youth, and adults.

''(C) COMPOSITION.—The Board may include—

''(i) representatives of business, industry, labor, literacy organizations, adult education providers, community colleges, students with disabilities, and State agencies, including State directors of adult education; and

''(ii) individuals who, and representatives of entities that, have been successful in improving skills in reading, writing, and English language acquisition for children, youth, and adults.

''(2) DUTIES.—The Board shall—

''(A) make recommendations concerning the appointment of the Director of the Institute;

''(B) provide independent advice on the operation of the Institute;

''(C) receive reports from the Interagency Group and the Director; and

''(D) review the biennial report to the Congress under subsection (k).

''(3) FEDERAL ADVISORY COMMITTEE ACT.—Except as otherwise provided, the Board shall be subject to the provisions of the Federal Advisory Committee Act.

''(4) APPOINTMENTS.—

''(A) IN GENERAL.—Each member of the Board shall be appointed for a term of 3 years, except that the initial terms for members may be 1, 2, or 3 years in order to establish a rotation in which one-third of the members are selected each year. Any such member may be appointed for not more than 2 consecutive terms.

''(B) VACANCIES.—Any member appointed to fill a vacancy occurring before the expiration of the term for which the member's predecessor was appointed shall be appointed only for the remainder of that term. A member may serve after the expiration of that member's term until a successor has taken office.

''(5) QUORUM.—A majority of the members of the Board shall constitute a quorum, but a lesser number may hold hearings. A recommendation of the Board may be passed only by a majority of the Board's members present at a meeting for which there is a quorum.

''(6) ELECTION OF OFFICERS.—The Chairperson and Vice Chairperson of the Board shall be elected by the members of the Board. The term of office of the Chairperson and Vice Chairperson shall be 2 years.

''(7) MEETINGS.—The Board shall meet at the call of the Chairperson or a majority of the members of the Board.

''(f) GIFTS, BEQUESTS, AND DEVISES.—

''(1) IN GENERAL.—The Institute may accept, administer, and use gifts or donations of services, money, or property, whether real or personal, tangible or intangible.

''(2) RULES.—The Board shall establish written rules setting forth the criteria to be used by the Institute in determining whether the acceptance of contributions of services, money, or property whether real or personal, tangible or intangible, would reflect unfavorably upon the ability of the Institute or any employee to carry out the responsibilities of the Institute or employee, or official duties, in a fair and objective manner, or would compromise the integrity, or the appearance of the integrity, of the Institute's programs or any official involved in those programs.

''(g) MAILS.—The Board and the Institute may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

''(h) DIRECTOR.—The Secretary of Education, after considering recommendations made by the Board and consulting with the Interagency Group, shall appoint and fix the pay of the Director of the Institute and, when necessary, shall appoint an Interim Director of the Institute.

''(i) APPLICABILITY OF CERTAIN CIVIL SERVICE LAWS.—The Director and staff of the Institute may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of that title relating to classification and General Schedule pay rates, except that an individual so appointed may not receive pay in excess of the annual rate of basic pay payable for level IV of the Executive Schedule.

''(j) EXPERTS AND CONSULTANTS.—The Institute may procure temporary and intermittent services under section 3109(b) of title 5, United States Code.

''(k) BIENNIAL REPORT.—

''(1) IN GENERAL.—The Institute shall submit a report biennially to the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate. Each report submitted under this subsection shall include—

''(A) a comprehensive and detailed description of the Institute's operations, activities, financial condition, and accomplishments in identifying and describing programs on reading, writing, and English language acquisition for children, youth, and adults for the period covered by the report; and

''(B) a description of how plans for the operation of the Institute for the succeeding 2 fiscal years will facilitate achievement of the purpose of the Institute.

''(2) FIRST REPORT.—The Institute shall submit its first report under this subsection to the Congress not later than 1 year after the date of the enactment of the Job Training Improvement Act of 2005.

''(l) ADDITIONAL FUNDING.—In addition to the funds authorized under section 205 and reserved for the Institute under section 211, the Secretary of Education, the Secretary of Health and Human Services, the Secretary of Labor, or the head of any other Federal agency or department that participates in the activities of the Institute may provide funds to the Institute for activities that the Institute is authorized to perform under this section.

''SEC. 243. NATIONAL LEADERSHIP ACTIVITIES.

''The Secretary shall establish and carry out a program of national leadership activities that may include the following:

''(1) Technical assistance, on request, including assistance—

''(A) on request to volunteer community- and faith-based organizations, including but not limited to, improving their fiscal management, research-based instruction, and reporting requirements, and the development of measurable objectives to carry out the requirements of this title;

''(B) in developing valid, measurable, and reliable performance data, and using performance information for the improvement of adult education basic skills, English language acquisition, and family literacy education programs;

''(C) on adult education professional development; and

''(D) in using distance learning and improving the application of technology in the classroom, including instruction in English language acquisition for individuals who have limited English proficiency.

''(2) Providing for the conduct of research on national literacy basic skill acquisition levels among adults, including the number of limited English proficient adults functioning at different levels of reading proficiency.

''(3) Improving the coordination, efficiency, and effectiveness of adult education and workforce development services at the national, State, and local levels.

''(4) Determining how participation in adult education basic skills, English language acquisition, and family literacy education programs prepares individuals for entry into and success in postsecondary education and employment, and in the case of prison-based services, the effect on recidivism.

''(5) Evaluating how different types of providers, including community and faith-based organizations or private for-profit agencies measurably improve the skills of participants in adult education basic skills, English language acquisition, and family literacy education programs.

''(6) Identifying model integrated basic and workplace skills education programs, including programs for individuals with limited English proficiency coordinated literacy and employment services, and effective strategies for serving adults with disabilities.

''(7) Supporting the development of an entity that would produce and distribute technology-based programs and materials for adult education, basic skills, and family literacy education programs using an intercommunication system, as that term is defined in section 397 of the Communications Act of 1934, and expand the effective outreach and use of such programs and materials to adult education eligible providers.

''(8) Initiating other activities designed to improve the measurable quality and effectiveness of adult education basic skills, English language acquisition, and family literacy education programs nationwide.''.

TITLE III—AMENDMENTS TO THE WAGNER-PEYSER ACT

SEC. 301. AMENDMENTS TO THE WAGNER-PEYSER ACT.

The Wagner-Peyser Act (29 U.S.C. 49 et. seq.) is amended—

(1) by striking sections 1 through 13;

(2) in section 14 by inserting ''of Labor'' after ''Secretary''; and

(3) by amending section 15 to read as follows:

''SEC. 15. WORKFORCE AND LABOR MARKET INFORMATION SYSTEM.

''(a) SYSTEM CONTENT.—

''(1) IN GENERAL.—The Secretary of Labor, in accordance with the provisions of this section, shall oversee the development, maintenance, and continuous improvement of a nationwide workforce and labor market information system that includes—

''(A) statistical data from cooperative statistical survey and projection programs and data from administrative reporting systems that, taken together, enumerate, estimate, and project employment opportunities and conditions at national, State, and local levels in a timely manner, including statistics on—

''(i) employment and unemployment status of national, State, and local populations, including self-employed, part-time, and seasonal workers;

''(ii) industrial distribution of occupations, as well as current and projected employment opportunities, wages, benefits (where data is available), and skill trends by occupation and industry, with particular attention paid to State and local conditions;

''(iii) the incidence of, industrial and geographical location of, and number of workers displaced by, permanent layoffs and plant closings; and

''(iv) employment and earnings information maintained in a longitudinal manner to be used for research and program evaluation;

''(B) information on State and local employment opportunities, and other appropriate statistical data related to labor market dynamics, which—

''(i) shall be current and comprehensive;

''(ii) shall meet the needs identified through the consultations described in subparagraphs (A) and (B) of subsection (e)(2); and

''(iii) shall meet the needs for the information identified in section 134(d);

''(C) technical standards (which the Secretary shall publish annually) for data and information described in subparagraphs (A) and (B) that, at a minimum, meet the criteria of chapter 35 of title 44, United States Code;

''(D) procedures to ensure compatibility and additivity of the data and information described in subparagraphs (A) and (B) from national, State, and local levels;

''(E) procedures to support standardization and aggregation of data from administrative reporting systems described in subparagraph (A) of employment-related programs;

''(F) analysis of data and information described in subparagraphs (A) and (B) for uses such as—

''(i) national, State, and local policymaking;

''(ii) implementation of Federal policies (including allocation formulas);

''(iii) program planning and evaluation; and

''(iv) researching labor market dynamics;

''(G) wide dissemination of such data, information, and analysis in a user-friendly manner and voluntary technical standards for dissemination mechanisms; and

''(H) programs of—

''(i) training for effective data dissemination;

''(ii) research and demonstration; and

''(iii) programs and technical assistance.

''(2) INFORMATION TO BE CONFIDENTIAL.—

''(A) IN GENERAL.—No officer or employee of the Federal Government or agent of the Federal Government may—

''(i) use any submission that is furnished for exclusively statistical purposes under the provisions of this section for any purpose other than the statistical purposes for which the submission is furnished;

''(ii) make any publication or media transmittal of the data contained in the submission described in clause (i) that permits information concerning individual subjects to be reasonably inferred by either direct or indirect means; or

''(iii) permit anyone other than a sworn officer, employee, or agent of any Federal department or agency, or a contractor (including an employee of a contractor) of such department or agency, to examine an individual submission described in clause (i),

without the consent of the individual, agency, or other person who is the subject of the submission or provides that submission.

''(B) IMMUNITY FROM LEGAL PROCESS.—Any submission (including any data derived from the submission) that is collected and retained by a Federal department or agency, or an officer, employee, agent, or contractor of such a department or agency, for exclusively statistical purposes under this section shall be immune from the legal process and shall not, without the consent of the individual, agency, or other person who is the subject of the submission or provides that submission, be admitted as evidence or used for any purpose in any action, suit, or other judicial or administrative proceeding.

''(C) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to provide immunity from the legal process for such submission (including any data derived from the submission) if the submission is in the possession of any person, agency, or entity other than the Federal Government or an officer, employee, agent, or contractor of the Federal Government, or if the submission is independently collected, retained, or produced for purposes other than the purposes of this Act.

''(b) SYSTEM RESPONSIBILITIES.—

''(1) IN GENERAL.—The workforce and labor market information system described in subsection (a) shall be planned, administered, overseen, and evaluated through a cooperative governance structure involving the Federal Government and States.

''(2) DUTIES.—The Secretary, with respect to data collection, analysis, and dissemination of labor employment statistics for the system, shall carry out the following duties:

''(A) Assign responsibilities within the Department of Labor for elements of the workforce and labor market information system described in subsection (a) to ensure that all statistical and administrative data collected is consistent with appropriate Bureau of Labor Statistics standards and definitions.

''(B) Actively seek the cooperation of other Federal agencies to establish and maintain mechanisms for ensuring complementarity and nonduplication in the development and operation of statistical and administrative data collection activities.

''(C) Eliminate gaps and duplication in statistical undertakings, with the systemization of wage surveys as an early priority.

''(D) In collaboration with the Bureau of Labor Statistics and States, develop and maintain the elements of the workforce and labor market information system described in subsection (a), including the development of consistent procedures and definitions for use by the States in collecting the data and information described in subparagraphs (A) and (B) of subsection (a)(1).

''(E) Establish procedures for the system to ensure that—

''(i) such data and information are timely;

''(ii) paperwork and reporting for the system are reduced to a minimum; and

''(iii) States and localities are fully involved in the development and continuous improvement of the system at all levels, including ensuring the provision, to such States and localities, of budget information necessary for carrying out their responsibilities under subsection (e).

''(c) NATIONAL ELECTRONIC TOOLS TO PROVIDE SERVICES.—The Secretary is authorized to assist in the development of national electronic tools that may be used to facilitate the delivery of core services described in section 134 and to provide workforce information to individuals through the one-stop delivery systems described in section 121 and through other appropriate delivery systems.

''(d) COORDINATION WITH THE STATES.—

''(1) IN GENERAL.—The Secretary, working through the Bureau of Labor Statistics and the Employment and Training Administration, shall regularly consult with representatives of State agencies carrying out workforce information activities regarding strategies for improving the workforce and labor market information system.

''(2) FORMAL CONSULTATIONS.—At least twice each year, the Secretary, working through the Bureau of Labor Statistics, shall conduct formal consultations regarding programs carried out by the Bureau of Labor Statistics with representatives of each of the 10 Federal regions of the Department of Labor, elected from the State directors affiliated with State agencies that perform the duties described in subsection (e)(2).

''(e) STATE RESPONSIBILITIES.—

''(1) IN GENERAL.—In order to receive Federal financial assistance under this section, the Governor of a State shall—

''(A) be responsible for the management of the portions of the workforce and labor market information system described in subsection (a) that comprise a statewide workforce and labor market information system and for the State's participation in the development of the annual plan;

''(B) establish a process for the oversight of such system;

''(C) consult with State and local employers, participants, and local workforce investment boards about the labor market relevance of the data to be collected and disseminated through the statewide workforce and labor market information system;

''(D) consult with State educational agencies and local educational agencies concerning the provision of employment statistics in order to meet the needs of secondary school and postsecondary school students who seek such information;

''(E) collect and disseminate for the system, on behalf of the State and localities in the State, the information and data described in subparagraphs (A) and (B) of subsection (a)(1);

''(F) maintain and continuously improve the statewide workforce and labor market information system in accordance with this section;

''(G) perform contract and grant responsibilities for data collection, analysis, and dissemination for such system;

''(H) conduct such other data collection, analysis, and dissemination activities as will ensure an effective statewide workforce and labor market information system;

''(I) actively seek the participation of other State and local agencies in data collection, analysis, and dissemination activities in order to ensure complementarity, compatibility, and usefulness of data;

''(J) participate in the development of the annual plan described in subsection (c); and

''(K) utilize the quarterly records described in section 136(f)(2) of the Workforce Investment Act of 1998 to assist the State and other States in measuring State progress on State performance measures.

''(2) RULE OF CONSTRUCTION.—Nothing in this section shall be construed as limiting the ability of a Governor to conduct additional data collection, analysis, and dissemination activities with State funds or with Federal funds from sources other than this section.

''(f) NONDUPLICATION REQUIREMENT.—None of the functions and activities carried out pursuant to this section shall duplicate the functions and activities carried out under the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.).

''(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry

out this section such sums as may be necessary for each of the fiscal years 2006 through 2011.

''(h) DEFINITION.—In this section, the term 'local area' means the smallest geographical area for which data can be produced with statistical reliability.''.

TITLE IV—AMENDMENTS TO THE REHABILITATION ACT OF 1973

SEC. 401. FINDINGS.

Section 2(a) of the Rehabilitation Act of 1973 (29 U.S.C. 701(a)) is amended—

(1) in paragraph (5), by striking ''and'' at the end;

(2) in paragraph (6), by striking the period and inserting ''; and''; and

(3) by adding at the end the following:

''(7) there is a substantial need to improve and expand services for students with disabilities under this Act.''.

SEC. 402. REHABILITATION SERVICES ADMINISTRATION.

Section 3(a) of the Rehabilitation Act of 1973 (29 U.S.C. 702(a)) is amended—

(1) by striking ''Office of the Secretary'' and inserting ''Department of Education'';

(2) by striking ''President by and with the advice and consent of the Senate'' and inserting ''Secretary, except that the Commissioner appointed under the authority existing on the day prior to the date of enactment of the Job Training Improvement Act of 2005 may continue to serve in the former capacity''; and

(3) by striking '', and the Commissioner shall be the principal officer,''.

SEC. 403. DIRECTOR.

(a) IN GENERAL.—The Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.) is amended—

(1) by striking ''Commissioner'' each place it appears, except in sections 3(a) (as amended by section 402) and 21, and inserting ''Director'';

(2) in section 100(d)(2)(B), by striking ''COMMISSIONER'' and inserting ''DIRECTOR'';

*(3) in section 706, by striking ''**COMMISSIONER**'' and inserting ''**DIRECTOR**''; and*

(4) in section 723(a)(3), by striking ''COMMISSIONER'' and inserting ''DIRECTOR''.

(b) EXCEPTION.—Section 21 of the Rehabilitation Act of 1973 (29 U.S.C. 718) is amended—

(1) in subsection (b)(1)—

(A) by striking ''Commissioner'' the first place it appears and inserting ''Director of the Rehabilitation Services Administration''; and

(B) by striking ''(referred to in this subsection as the 'Director')''; and

(2) by striking ''Commissioner and the Director'' each place it appears and inserting ''both such Directors''.

SEC. 404. DEFINITIONS.

Section 7 of the Rehabilitation Act of 1973 (29 U.S.C. 705) is amended—

(1) by redesignating paragraphs (35) through (39) as paragraphs (36), (37), (38), (40), and (41), respectively;

(2) in subparagraph (A)(ii) of paragraph (36) (as redesignated in paragraph (1)), by striking ''paragraph (36)(C)'' and inserting ''paragraph (37)(C)'';

(3) by inserting after paragraph (34) the following:

''(35)(A) The term 'student with a disability' means an individual with a disability who—

''(i) is not younger than 16 and not older than 21;

''(ii) has been determined to be eligible under section 102(a) for assistance under this title; and

''(iii)(I) is eligible for, and is receiving, special education under part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.); or

''(II) is an individual with a disability, for purposes of section 504.

''(B) The term 'students with disabilities' means more than 1 student with a disability.''; and

(4) by inserting after paragraph (38) (as redesignated by paragraph (1)) the following:

''(39) The term 'transition services expansion year' means—

''(A) the first fiscal year for which the amount appropriated under section 100(b) exceeds the amount appropriated under section 100(b) for fiscal year 2004 by not less than $100,000,000; and

''(B) each fiscal year subsequent to that first fiscal year.''.

SEC. 405. STATE PLAN.

(a) COORDINATION WITH EDUCATION OFFICIALS AND ASSISTIVE TECHNOLOGY PROGRAMS.—Section 101(a)(11) of the Rehabilitation Act of 1973 (29 U.S.C. 721(a)(11)) is amended—

(1) in subparagraph (D)(i) by inserting '', which may be provided using alternative means of meeting participation (such as video conferences and conference calls)'' before the semicolon; and

(2) by adding at the end the following:

''(G) COORDINATION WITH ASSISTIVE TECHNOLOGY PROGRAMS.—The State plan shall include an assurance that the designated State unit and the lead agency responsible for carrying out duties under the Assistive Technology Act of 1998 (29 U.S.C. 3001), as amended, have developed working relationships and coordinate their activities.''.

(b) ASSESSMENT AND STRATEGIES.—Section 101(a)(15) of the Rehabilitation Act of 1973 (29 U.S.C. 721(a)(15)) is amended—

(1) in subparagraph (A)

(A) in clause (i)—

(i) in subclause (II), by striking ''and'' at the end;

(ii) in subclause (III), by adding ''and'' at the end; and

(iii) by adding at the end the following:

''(IV) in a transition services expansion year, students with disabilities, including their need for transition services;''; and

(B) by redesignating clauses (ii) and (iii) as clauses (iii) and (iv), respectively, and inserting after clause (i) the following:

''(ii) include an assessment of the transition services provided under this Act, and coordinated with transition services under the Individuals with Disabilities Education Act, as to those services meeting the needs of individuals with disabilities;''; and

(2) in subparagraph (D)—

(A) by redesignating clauses (iii), (iv), and (v) as clauses (iv), (v), and (vi), respectively; and

(B) by inserting after clause (ii) the following:

''(iii) in a transition services expansion year, the methods to be used to improve and expand vocational rehabilitation services for students with disabilities, including the coordination of services designed to facilitate the transition of such students from the receipt of educational services in school to the receipt of vocational rehabilitation services under this title or to post-secondary education or employment;''.

(c) SERVICES FOR STUDENTS WITH DISABILITIES.—Section 101(a) of the Rehabilitation Act of 1973 (29 U.S.C. 721(a)) is further amended by adding at the end the following:

''(25) SERVICES FOR STUDENTS WITH DISABILITIES.—The State plan for a transition services expansion year shall provide an assurance satisfactory to the Secretary that the State—

''(A) has developed and implemented strategies to address the needs identified in the assessment described in paragraph (15), and achieve the goals and priorities identified by the State, to improve and expand vocational rehabilitation services for students with disabilities on a statewide basis in accordance with paragraph (15); and

''(B) from funds reserved under section 110A, shall carry out programs or activities designed to improve and expand vocational rehabilitation services for students with disabilities that—

''(i) facilitate the transition of the students with disabilities from the receipt of educational services in school, to the receipt of vocational rehabilitation services under this title, including, at a minimum, those services specified in the interagency agreement required in paragraph (11)(D);

''(ii) improve the achievement of post-school goals of students with disabilities, including improving the achievement through participation (as appropriate when vocational goals are discussed) in meetings regarding individualized education programs developed under section 614 of the Individuals with Disabilities Education Act (20 U.S.C. 1414);

''(iii) provide vocational guidance, career exploration services, and job search skills and strategies and technical assistance to students with disabilities;

''(iv) support the provision of training and technical assistance to State and local educational agency and designated State agency personnel responsible for the planning and provision of services to students with disabilities; and

''(v) support outreach activities to students with disabilities who are eligible for, and need, services under this title.''.

SEC. 406. SCOPE OF SERVICES.

Section 103 of the Rehabilitation Act of 1973 (29 U.S.C. 723) is amended—

(1) in subsection (a), by striking paragraph (15) and inserting the following:

''(15) transition services for students with disabilities, that facilitate the achievement of the employment outcome identified in the individualized plan for employment, including, in a transition services expansion year, services described in clauses (i) through (iii) of section 101(a)(25)(B);'';

(2) in subsection (b), by striking paragraph (6) and inserting the following:

''(6)(A)(i) Consultation and technical assistance services to assist State and local educational agencies in planning for the transition of students with disabilities from school to post-school activities, including employment.

''(ii) In a transition services expansion year, training and technical assistance described in section 101(a)(25)(B)(iv).

''(B) In a transition services expansion year, services for groups of individuals with disabilities who meet the requirements of clauses (i) and (iii) of section 7(35)(A), including services described in clauses (i), (ii), (iii), and (v) of section 101(a)(25)(B), to assist in the transition from school to post-school activities.''; and

(3) in subsection (b) by inserting at the end, the following:

''(7) The establishment, development, or improvement of assistive technology demonstration, loan, reutilization, or financing programs in coordination with activities authorized under the Assistive Technology Act of 1998 (29. U.S.C. 3001), as amended, to promote access to assistive technology for individuals with disabilities and employers.''.

SEC. 407. STANDARDS AND INDICATORS.

Section 106(a) of the Rehabilitation Act of 1973 (29 U.S.C. 726(a)) is amended by striking paragraph (1)(C) and all that follows through paragraph (2) and inserting the following:

''(2) MEASURES.—The standards and indicators shall include outcome and related measures of program performance that—

''(A) facilitate the accomplishment of the purpose and policy of this title;

''(B) to the maximum extent practicable, are consistent with the core indicators of performance, and corresponding State adjusted levels of performance, established under section 136(b) of the Workforce Investment Act of 1998 (29 U.S.C. 2871(b)); and

''(C) include measures of the program's performance with respect to the transition to post-

school vocational activities, and achievement of the post-school vocational goals, of students with disabilities served under the program.''.

SEC. 408. RESERVATION FOR EXPANDED TRANSITION SERVICES.

The Rehabilitation Act of 1973 is amended by inserting after section 110 (29 U.S.C. 730) the following:

''SEC. 110A. RESERVATION FOR EXPANDED TRANSITION SERVICES.

''(a) RESERVATION.—From the State allotment under section 110 in a transition services expansion year, each State shall reserve an amount calculated by the Director under subsection (b) to carry out programs and activities under sections 101(a)(25)(B) and 103(b)(6).

''(b) CALCULATION.—The Director shall calculate the amount to be reserved for such programs and activities for a fiscal year by each State by multiplying $50,000,000 by the percentage determined by dividing—

''(1) the amount allotted to that State under section 110 for the prior fiscal year, by

''(2) the total amount allotted to all States under section 110 for that prior fiscal year.''.

SEC. 409. CLIENT ASSISTANCE PROGRAM.

Section 112(e)(1) of the Rehabilitation Act of 1973 (29 U.S.C. 732(e)(1)) is amended by redesignating subparagraph (D) as subparagraph (E) and inserting after subparagraph (C) the following:

''(D) The Secretary shall make grants to the protection and advocacy system serving the American Indian Consortium to provide services in accordance with this section. The amount of such grants shall be the same as provided to territories under this subsection. ''.

SEC. 410. PROTECTION AND ADVOCACY OF INDIVIDUAL RIGHTS.

Section 509(g)(2) of the Rehabilitation Act of 1973 (29 U.S.C. 794e(g)(2)) is amended by striking ''was paid'' and inserting ''was paid, except that program income generated from such amount shall remain available to such system for one additional fiscal year''.

SEC. 411. CHAIRPERSON.

Section 705(b)(5) of the Rehabilitation Act of 1973 (29 U.S.C. 796d(b)(5)) is amended to read as follows:

''(5) CHAIRPERSON.—The Council shall select a chairperson from among the voting membership of the Council.''.

SEC. 412. AUTHORIZATIONS OF APPROPRIATIONS.

The Rehabilitation Act of 1973 is further amended—

(1) in section 100(b)(1) by striking ''fiscal years 1999 through 2003'' and inserting ''fiscal years 2006 through 2011'';

(2) in section 100(d)(1)(B) by striking ''fiscal year 2003'' and inserting ''fiscal year 2011'';

(3) in section 110(c) by amending paragraph (2) to read as follows:

''(2) The sum referred to in paragraph (1) shall be, as determined by the Secretary, not less than 1 percent and not more than 1.5 percent of the amount referred to in paragraph (1) for each of fiscal years 2003 through 2011.'';

(4) in section 112(h) by striking ''fiscal years 1999 through 2003'' and inserting ''fiscal years 2006 through 2011'';

(5) in section 201(a) by striking ''fiscal years 1999 through 2003'' each place it appears and inserting ''fiscal years 2006 through 2011'';

(6) in section 302(i) by striking ''fiscal years 1999 through 2003'' and inserting ''fiscal years 2006 through 2011'';

(7) in section 303(e) by striking ''fiscal years 1999 through 2003'' and inserting ''fiscal years 2006 through 2011'';

(8) in section 304(b) by striking ''fiscal years 1999 through 2003'' and inserting ''fiscal years 2006 through 2011'';

(9) in section 305(b) by striking ''fiscal years 1999 through 2003'' and inserting ''fiscal years 2006 through 2011'';

(10) in section 405 by striking ''fiscal years 1999 through 2003'' and inserting ''fiscal years 2006 through 2011'';

(11) in section 502(j) by striking ''fiscal years 1999 through 2003'' and inserting ''fiscal years 2006 through 2011'';

(12) in section 509(l) by striking ''fiscal years 1999 through 2003'' and inserting ''fiscal years 2006 through 2011'';

(13) in section 612 by striking ''fiscal years 1999 through 2003'' and inserting ''fiscal years 2006 through 2011'';

(14) in section 628 by striking ''fiscal years 1999 through 2003'' and inserting ''fiscal years 2006 through 2011'';

(15) in section 714 by striking ''fiscal years 1999 through 2003'' and inserting ''fiscal years 2006 through 2011'';

(16) in section 727 by striking ''fiscal years 1999 through 2003'' and inserting ''fiscal years 2006 through 2011''; and

(17) in section 753 by striking ''fiscal years 1999 through 2003'' and inserting ''fiscal years 2006 through 2011''.

SEC. 413. CONFORMING AMENDMENT.

Section 1(b) of the Rehabilitation Act of 1973 is amended by inserting after the item relating to section 110 the following:

''Sec. 110A. Reservation for expanded transition services.''.

SEC. 414. HELEN KELLER NATIONAL CENTER ACT.

(a) GENERAL AUTHORIZATION OF APPROPRIATIONS.—The first sentence of section 205(a) of the Helen Keller National Center Act (29 U.S.C. 1904(a)) is amended by striking ''1999 through 2003'' and inserting ''2006 through 2011''.

(b) HELEN KELLER NATIONAL CENTER FEDERAL ENDOWMENT FUND.—The first sentence of section 208(h) of such Act (29 U.S.C. 1907(h)) is amended by striking ''1999 through 2003'' and inserting ''2006 through 2011''.

TITLE V—TRANSITION AND EFFECTIVE DATE

SEC. 501. TRANSITION PROVISIONS.

The Secretary of Labor shall take such actions as the Secretary determines to be appropriate to provide for the orderly implementation of this Act.

SEC. 502. EFFECTIVE DATE.

Except as otherwise provided in this Act, this Act and the amendments made by this Act, shall take effect on the date of enactment of this Act.

The CHAIRMAN. No amendment to the committee amendment is in order except those printed in House Report 109–11. Each amendment may be offered only in the order printed in the report, by a Member designated in the report, shall be considered read, shall be debatable for the time specified in the report, equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question.

It is now in order to consider amendment No. 1 printed in House report 109–11.

AMENDMENT OFFERED BY MR. KILDEE

Mr. KILDEE. Mr. Chairman, I offer an amendment as a designee of the gentleman from Massachusetts (Mr. TIERNEY).

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 1 offered by Mr. KILDEE:
Strike sections 111 and 119.

In section 101(1), strike ''paragraphs (13) and'' and all that follows through ''through (24)'' and insert ''paragraph (24) and redesignating paragraphs (1) through (23) as paragraphs (3) through (25)''.

In section 101(8), strike ''; and'' and insert a period.

Strike paragraph (9) of section 101.

In the table of contents in section 2 of the bill, strike the items related to section 111 and redesignate succeeding items accordingly.

In the table of contents in section 2 of the bill, strike the item related to section 119 and redesignate succeeding items accordingly.

The CHAIRMAN. Pursuant to House Resolution 126, the gentleman from Michigan (Mr. KILDEE) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Michigan (Mr. KILDEE).

Mr. KILDEE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, current law requires that services be provided to both in-school youth and out-of-school youth. Nothing in the Act prevents States from spending all of youth funds on out-of-school youths. In fact, as many as 17 States spend more than 30 percent on out-of-school programs. The majority of States are challenged by current out-of-school requirements.

Eliminating services for in-school youth cuts funding for programs designed to keep youths in school, to develop workforce skills, to prepare for post-secondary education, and provide after school and summer opportunities.

H.R. 27 limits the business community's ability to work with schools and prepare emerging workforces. In many communities, you have that cooperation between the business community and the schools.

H.R. 27 restricts services for rural youths. Many rural in-school programs provide workforce development and on-school support service for students who are at risk for dropping out. I think it is very, very important that we maintain the in-school youth program, and that is the purpose for me offering this amendment.

Mr. Chairman, I reserve the balance of my time.

□ 1700

Mr. BOEHNER. Mr. Chairman, I rise in opposition to the gentleman's amendment and yield myself such time as I may consume.

Mr. Chairman, the amendment that is being offered by my friend, the gentleman from Michigan (Mr. KILDEE), would strike all of the positive reforms for youth that are included in H.R. 27. Under current law, funds for the WIA youth program are spread too thinly, as they fund programs that both serve in-school and out-of-school youth.

In the White House, the Disadvantaged Youth Task Force has proposed targeted Federal youth training funds to serve the most in need and to reduce the duplication of services amongst

Federal programs. There are a large number of programs today designed to deal with in-school, at-risk children, and there is really only one program in WIA that is targeted at out-of-school youth.

What we tried to do in this bill was to strike a balance by requiring that 70 percent of the youth program funds go to out-of-school youth, a population that is by and large ignored and that I think these funds ought to be targeted to. We do allow the local workforce boards to use up to 30 percent of their programs for in-school youth; but there are other programs, a half a dozen other programs, targeted at these at-risk children who are in school.

So as a way of trying to bring more synergy to an effort to help out-of-school youth, I think the language we have in the bill strikes the right balance.

Mr. Chairman, I reserve the balance of my time.

Mr. KILDEE. Mr. Chairman, I yield the balance of my time to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Chairman, I rise to support the Tierney amendment, and I thank the distinguished gentleman from Michigan (Mr. KILDEE) for yielding me this time and also for his leadership. I also want to thank the gentleman from Massachusetts (Mr. TIERNEY) for his leadership. I know he was very thoughtful in this amendment.

Particularly when we talk about these programs, what comes to mind, and I heard the gentleman from Michigan (Mr. KILDEE) be so eloquent in the Committee on Rules about the effectiveness and the importance of a training program, number one, for the new jobs of the 21st century. I am reminded of the fact that I spent a good part of my time as a locally elected official on the Houston City Council promoting the job training programs of our community that came down through the workforce board commissions in Texas.

When you eliminate summer jobs, you are literally undermining the opportunities for inner-city and rural youth to move to the next level of opportunity. You are extinguishing the right and the exposure that they have for career preparation. You go into these youth training programs and you look at the smiles on the faces of individuals who have come from experiences where there was no work, where their families are unemployed, and where there is no hope and opportunity.

I am very disappointed, in addition, to the cut in youth programs, and the fact that we are now getting rid of the veterans' preference for job training, actually cutting funds. What an outrage. With a million people having served in Afghanistan and Iraq; with the devastation of the impact of those returning veterans, with their emotional problems and injuries, and now we are suggesting to them that they are not worthy of a job preference.

Let me also say that when you block-grant these dollars, you block-grant job training away. That is what this program does; and in particular, it sends away this opportunity.

My last point is that I might beg to differ with the chairman of this particular distinguished committee. There is discrimination in this bill. And, frankly, I think we should follow the Kildee model, who said that he knew a priest in Detroit who had a job training program who made sure that there was no discrimination, whether someone is a Muslim, whether they are Jewish or Catholic or Protestant. A program that is based upon religion and allows someone to deny you the opportunity for a job or a training position under the auspices of being a particular faith and being in charge of that particular program is discrimination under title VII in the 1964 Civil Rights Bill or under any discrimination law that has been passed in America and that exists today.

Frankly, I believe this bill, even in its presence on the floor of the House, should go no further than this House; and I ask my colleagues to support the Tierney amendment, but to oppose the underlying bill.

Mr. BOEHNER. Mr. Chairman, I yield myself such time as I may consume just to correct the record.

The gentlewoman who just spoke says that we eliminated a preference for veterans in this bill. The fact is that there is a preference for veterans written into the law. That has not changed at all.

Secondly, the gentlewoman said there are block grants in the underlying bill. There are no block grants. As a matter of fact, the targeting of funds to the local workforce boards in this bill is more structured than it is today under current law, so that at least 75 percent of the funds available back to the States must go to the local workforce investment boards.

Lastly, the gentlewoman said that we have discrimination in this bill. I would just remind the gentlewoman that when our predecessors wrote the 1964 Civil Rights Act, they recognized in title VII that religious organizations ought to be protected in their hiring so that they would not be required to hire anybody that shows up, but could, if they wanted to, only hire those people within their faith.

Now, if people want to disagree with title VII of the 1964 Civil Rights Act, they certainly have that right. They may go to the Committee on the Judiciary and change that law, but let us not try to do it in this bill.

Mr. Chairman, I am pleased to yield 2 minutes to the gentleman from Georgia (Mr. PRICE), a member of the committee).

Mr. PRICE of Georgia. Mr. Chairman, I appreciate the opportunity to speak again on this, and I am astounded, frankly, at the level of misinformation that is coming from the other side.

I think it is important to look at the bill specifically as it defines youth. The definition of youth has changed. The age for when an individual is considered a youth has changed. Currently it is 14 to 21 years. In the bill, it would change it from 16 to 24 years. What that means is that we have more individuals out of school, out of school, who require assistance. And that is one of the reasons the provision is in the bill to change it, so that more individuals out of school will have greater opportunity to access those monies.

It is also important to appreciate this is a Department of Labor program. The Department of Education has a phenomenal number of programs eligible for in-school youth that really dwarfs the amount of money for the out-of-school individuals, 15 to 1 by my count. Some of those programs are title I grants to improve education for the disadvantaged, neglected and delinquent grants to local educational agencies, 21st Century Learning Centers, Safe and Drug-free Schools and community State grants, Bilingual Education Instructional Services, Dropout Prevention Grants, and on and on and on, Striving Readers Grant and Vocational Technical Education.

In summary, no one, no one is decreasing the amount of money to in-school youth for the concerns and the issues that they have. What we are doing is making it so that this bill addresses those individuals that are most in need.

Mr. KILDEE. Mr. Chairman, I yield the balance of my time to the gentleman from Massachusetts (Mr. TIERNEY), the author of the amendment.

Mr. TIERNEY. Mr. Chairman, I thank the chairman and I thank the gentleman from Michigan (Mr. KILDEE) for taking this amendment to this point.

Just in response to the gentleman's comments a second ago and earlier, the reason for this amendment is that current law takes care of any State that wants to put a higher proportion of funds towards out-of-school youth. It has the flexibility for that. And if they want to move in that direction, they can.

It also allows States like Massachusetts, and at least 17 others, who have a greater need to serve in-school youth for job training purposes, to use their money for that.

What the H.R. 27 bill does is it takes away that flexibility and harms at least 27 States from being able to help the people that they want while it solves a problem that does not exist for the others. The others already can, in fact, serve as many of the people they want out of school.

With respect to this money that is a duplication for it because there are other funds going, none of those other programs have money left over for job training. They are already used up. Most of them are underfunded: Safe and Drug-Free Schools being slashed by the President. Title I, underfunded. You can go right on down the line.

So I hope my colleagues look at this and do not disadvantage those States that need to have the flexibility to serve more in-school youth, and at the same time realize that this amendment harms those who need more out-of-school youth served in no way at all.

Mr. BOEHNER. Mr. Chairman, I yield 30 seconds, the balance of my time, to my friend, the gentleman from Massachusetts (Mr. TIERNEY), who I know has been pressed for time.

Mr. TIERNEY. Mr. Chairman, I thank the chairman very much. This is an example of the collegiality of our Committee on Education and the Workforce. We do not agree often, but we at least have a good collegial time doing it.

I just want to stress the points that I made. And the fact of the matter is that having a mandate that every State put all their money toward out-of-school youth does not help those States that have an in-school youth issue. It also deprives a lot of programs that are working with our business community and in-school youth to get them better equipped to not only support themselves but their families to have them be more self-sufficient when they get out of school. Those programs would be slashed in many States if H.R. 27 were to go through as it is.

We have a great need for these in many States; programs like Girls Inc., Action Inc. and others work that way. I respect the chairman giving me this time to make that point, that this H.R. 27 change is a solution that does not have a problem.

The Acting CHAIRMAN (Mr. BASS). All time having expired, the question is on the amendment offered by the gentleman from Michigan (Mr. KILDEE).

The question was taken; and the Acting Chairman announced that the noes appeared to have it.

Mr. TIERNEY. Mr. Chairman, I demand a recorded vote.

The Acting CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Michigan (Mr. KILDEE) will be postponed.

The Acting CHAIRMAN. It is now in order to consider amendment No. 2 printed in House Report 109–11.

AMENDMENT NO. 2 OFFERED BY MS. VELÁZQUEZ

Ms. VELÁZQUEZ. Mr. Chairman, I offer an amendment.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 2 offered by Ms. VELÁZQUEZ:

In subsection (e)(7)(A)(i) of the matter proposed to be inserted by section 123, add at the end the following:

''(IV) Borrower guarantee fees for loans made pursuant to section 7(a) of the Small Business Act (15 U.S.C. 636(a)).''.

The Acting CHAIRMAN. Pursuant to House Resolution 126, the gentlewoman from New York (Ms. VELÁZQUEZ) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from New York (Ms. VELÁZQUEZ).

Ms. VELÁZQUEZ. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, for many unemployed workers, starting a small company provides opportunities for career growth and financial success. But the lack of access to capital prevents many entrepreneurs from starting their own business. The Small Business Administration's 7(a) loan program is a critical source of capital for small businesses, providing 30 percent of all long-term loans to U.S. entrepreneurs.

Despite the success of the 7(a) loan program, the Bush administration has repeatedly underfunded it, implemented a series of caps, imposed burdensome restrictions, and shut down the entire program. In the latest attack on October 1, the President doubled the fees that small businesses must pay to receive a 7(a) loan.

These new up-front fees are limiting the number of small businesses that can afford 7(a) loans. For a loan of $150,000, an entrepreneur must now pay nearly $3,000 in up-front fees, a significant cost for someone trying to start a company. These higher costs have significantly reduced small business use of the 7(a) program, as loan volume has decreased by $500 million since the new fees were implemented. The impact has been so great that this January the SBA made fewer loans than when the administration shut down the entire program last January.

President Bush was wrong when he increased the burden entrepreneurs face in accessing capital. This amendment acknowledges the shortsightedness of that decision. It affirms that new fees on 7(a) loans are hurting small businesses and demonstrates congressional support for using Federal funding to cover the cost of these fees.

A vote for this amendment is a vote against the Bush administration's policy raising the fees on 7(a) loans. It is a vote for our Nation's up-and-coming small business owners.

I have serious reservations about Personal Reemployment Accounts, as they will place severe limits on the amount of training an unemployed worker can receive. However, if Congress is going to establish Personal Reemployment Accounts, then we should provide entrepreneurs with the opportunity to use these resources to secure the capital needed to start small businesses. Unemployed workers should be allowed to use these funds in their accounts to pay for the cost of the 7(a) loan fees, and that is exactly what my amendment will do.

Given President Bush's commitment to creating an ownership society, I am surprised there are not more provisions in this bill to help unemployed workers own small businesses. The goal here is help reduce high unemployment, create a strong workforce, and boost our economy. This cannot be achieved without a stronger commitment to our Nation's entrepreneurs. After all, it was laid-off managers launching their own small businesses that turned our economy around during the last recession.

We need a revival of entrepreneurship in this country that will spur more job creation and grow our economy. To do this, we must take advantage of every opportunity to ensure that capital is accessible and affordable for all start-up small business owners, and we must make it clear that President Bush is failing our Nation's entrepreneurs. This amendment is one of those opportunities, and I urge my colleagues to support it.

Mr. Chairman, I reserve the balance of my time.

□ 1715

Mr. MCKEON. Mr. Chairman, although I do not oppose the amendment, I ask unanimous consent to claim the time in opposition.

The Acting CHAIRMAN (Mr. BASS). Without objection, the gentleman from California is recognized for 5 minutes.

There was no objection.

Mr. MCKEON. Mr. Chairman, I yield myself such time as I may consume. I guess I was prepared to accept this amendment, or to support this amendment, but the gentlewoman's rhetoric almost decided me not to.

But as I read the amendment, it says the amendment would allow unemployable workers to also use their personal re-employment accounts to cover the borrower guaranty costs associated with small business claims. If we can keep the focus on that, instead of the rhetoric against President Bush, I see no reason to oppose this amendment.

Mr. Chairman, I yield back the balance of my time.

Ms. VELÁZQUEZ. Mr. Chairman, I yield myself the balance of my time.

On October 1, the Bush administration effectively implemented a tax on U.S. entrepreneurship. By doubling the fees on 7–A loans, the Bush administration has severely limited access to critical source of capital for our Nation's small businesses.

I want to be on record, and I want every Member in this House to be on record about the fact that last July, an amendment to the CJS appropriations that would have protected the 7–A program was approved with strong support. The House was on record then,

and we should continue to be on record for the small business community.

This amendment sends a message that Congress is not willing to accept the recent policy decisions of the Bush administration to further burden U.S. entrepreneurs. They are our job creators. They drive our economy and they deserve our support.

Our goal is to fully repeal the freeze on the 7–A loans. While this amendment will not change the fee structure, it will help entrepreneurs afford this vital source of capital. So I therefore urge my colleagues to support this amendment.

Mrs. CHRISTENSEN. Mr. Chairman, I rise in support of the Velázquez amendment to H.R. 27 but in strong opposition to the underlying bill. H.R. 27 is a fundamentally flawed and partisan job training bill, which does nothing to address the root causes of why little actual job training services are provided under the Workforce Investment Act.

The Velázquez amendment would compensate for the harm in the Bush administration's policy of raising the fees on 7(a) loans and its proposal to undermine existing job-training programs by establishing an untested job-training voucher program. It addresses these two critical issues by offering a solution that would benefit entrepreneurs by providing them the opportunity to use funds from personal reinvestment accounts to secure the capital needed to start small businesses.

Mr. Chairman, with our high employment rate and the administration's failure to create the number of jobs it promised, entrepreneurship is a viable alternative to unemployment. The Velázquez amendment allows unemployed individuals to use the personal reinvestment accounts to defray the costs of the administration's recent fee increases for the 7(a) loan program. This fee increase on the 7(a) program puts the program out of reach for newly unemployed workers. This amendment would help to defray the cost of the 7(a) loan program for potential borrowers.

Access to capital is the biggest obstacle that entrepreneurs face in starting small businesses. A vote for this amendment is a vote to give unemployed workers resources to invest in their future by securing capital to start small businesses. Not only would this amendment help our Nation's unemployed, it will also boost job creation. After all, small businesses account for approximately 75 percent of the net new jobs added to the economy.

I would like to commend Ranking Member VELÁZQUEZ on her amendment and continued commitment to our Nation's small businesses. I urge my colleagues to support the Velázquez amendment.

Ms. VELÁQUEZ. Mr. Chairman, I yield back the balance of my time.

Mr. MCKEON. Mr. Chairman, I ask unanimous consent to reclaim the balance of my time.

The Acting CHAIRMAN. Is there objection to the request of the gentleman from California?

Ms. VELÁZQUEZ. Mr. Chairman, I object.

The Acting CHAIRMAN. Objection is heard.

The question is on the amendment offered by the gentlewoman from New York (Ms. VELÁZQUEZ).

The question was taken; and the Acting Chairman announced that the ayes appeared to have it.

Ms. VELÁZQUEZ. Mr. Chairman, I demand a recorded vote.

The Acting CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentlewoman from New York (Ms. VELÁZQUEZ) will be postponed.

It is now in order to consider Amendment No. 3 printed in House report 109–11.

AMENDMENT NO. 3 OFFERED BY MR. SCOTT OF VIRGINIA.

Mr. SCOTT of Virginia. Mr. Chairman, I offer an amendment.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 3 offered by Mr. SCOTT of Virginia:

Strike section 129.

In the table of contents in section 2 of the bill, strike the item relating to section 129, and redesignate succeeding sections accordingly.

The Acting CHAIRMAN. Pursuant to House Resolution 126, the gentleman from Virginia (Mr. SCOTT) and a Member opposed each will control 30 minutes.

The Chair recognizes the gentleman from Virginia (Mr. SCOTT).

Mr. SCOTT of Virginia. Mr. Chairman I yield myself 1 minute and 15 seconds.

Mr. Chairman, I made a previous statement on this amendment during the consideration of the rule, so let me just say that this amendment is offered along with my colleagues, the gentlewoman from California (Ms. WOOLSEY), the gentleman from Maryland (Mr. VAN HOLLEN), the gentleman from Massachusetts (Mr. FRANK), the gentleman from Texas (Mr. EDWARDS) and the gentleman from New York (Mr. NADLER) in order to preserve and maintain civil rights protections as they currently appear in job training law.

Current law prohibits sponsors of job training programs from discriminating in hiring based on race or religion. This amendment will keep the law the way it has been since 1965. We have heard some comments about title VII. Title VII gives the religious organization an exemption to discriminate with its own money. It was never intended to apply to Federal money.

In any event, there has been no discrimination in job training programs with Federal money, whether it is faith-based sponsored or otherwise since 1965.

Speakers have suggested that religious organizations have barriers to participation. They do not say what the barrier is. The barrier is that you cannot discriminate in employment with the Federal money. Any program that can get funded under this new language in the bill could be funded anyway under the traditional funding, no discrimination, if the sponsor would agree not to discriminate in employment. That has been the rule since 1965.

Mr. Chairman, I reserve the balance of my time.

Mr. BOEHNER. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Virginia.

The Acting CHAIRMAN. The gentleman from Ohio (Mr. BOEHNER) is recognized for 30 minutes.

Mr. BOEHNER. Mr. Chairman, I yield myself such time as I may consume. The amendment by my friend from Virginia would actually work against the neediest citizens in our local communities. Faith-based organizations such as churches, synagogues and other faith-based charities are a central part of the fabric of local communities across America. Many of these faith-based institutions provide assistance to the hardest-to-serve individuals because they often go where others will not and serve those others prefer not to serve, and go out of the way to meet people where they are rather than where we would want them to be.

President Bush noted yesterday at a speech that one of the key reasons why many faith-based groups are so effective is the commitment to serve that is grounded in the shared values and religious identity of their volunteers and their employees. In other words, effectiveness happens because people who share faith show up to help a particular organization based on that faith to succeed.

I agree with President Bush that many faith-based organizations can make a vital contribution to Federal assistance programs. Yet this amendment would deny faith-based institutions their rights, under the historic 1964 Civil Rights Act. Considering the proven track record of faith-based providers in meeting the needs of our citizens, why would we want to deny them the opportunity to help in Federal job training efforts?

Unfortunately, in some Federal laws, these faith-based organizations have been stripped of their hiring rights and must relinquish their civil liberties if they choose to participate in Federal service initiatives.

The landmark 1964 Civil Rights Act explicitly protects the rights of religious organizations to take religion into account into their hiring practices. In fact, the Civil Rights Act made clear that when faith-based organizations hire employees on a religious basis, it is an exercise of the organization's civil liberties and not discrimination under Federal law.

Those organizations willing to serve their communities by participating in Federal programs should not be forced

to compromise their religious liberties in order to serve those in need. The U.S. Supreme Court in 1987 upheld the rights of faith-based institutions and held that it was constitutional for these groups to take religion into account when making hiring decisions.

Former Democrat President Bill Clinton himself signed four laws explicitly allowing faith-based groups to staff on a religious basis when they receive Federal funds. Those laws are the 1996 Welfare Reform Law, the 1998 Community Services Block Grant Act, the 2000 Community Renewal Tax Relief Act, and the 2000 Substance Abuse and Mental Health Services Administration Act.

President Bush has worked tirelessly to remove the barriers that needlessly discourage faith-based groups from bringing their talents and compassion to Federal initiatives that help Americans in need. And just yesterday, again, he called on Congress to send him the same language protecting religious hiring that President Clinton signed on four other occasions.

The underlying bill answers the President's call and takes advantage of the positive role that faith-based institutions play in our communities in serving those who are most in need. We should not be denying faith-based providers the opportunity to serve the neediest of our citizens. And I urge my colleagues to vote no on the Scott amendment.

Mr. Chairman, I reserve the balance of my time.

Mr. SCOTT of Virginia. Mr. Chairman, I yield 3 minutes to the gentlewoman from California (Ms. WOOLSEY), a cosponsor of the amendment.

Ms. WOOLSEY. Mr. Chairman, I will begin by correcting two misunderstandings about this amendment. First, it would not keep faith-based organizations from hiring members of their own religion with their own funds in the exercise of their faith.

Second, it would not keep faith-based organizations from participating in job training programs under this bill. What this amendment says is that if a faith-based organization accepts Federal funds for job training, then in delivering job training, it cannot engage in religious discrimination.

Yesterday President Bush called on Congress, and let me quote, ''to judge faith-based groups by results, not by their religion.''

Well, current law does judge faith-based organizations by results, not by their religion. But sadly, the supporters of H.R. 27 would allow federally-funded job training programs to judge job applicants by their religion, not by their results.

Under H.R. 27, a faith-based grantee could refuse to hire the best qualified person for the grant or even fire its best worker because they are not the right religion. That is wrong, it is unconstitutional, and it is bad policy.

When people who desperately need a job seek help, they do not care about the religion of the person helping them, they do care that the person helping them was hired because he or she was the best qualified person, and they do care that the person helping them is not concerned about their religion. But when the people providing help are hired because of their own religion, it is naive to think that religion will not permeate the help that they provide, no matter what H.R. 27 says.

The proof of this slippery slope is in the President's words. In talking about a hypothetical federally-funded Methodist alcohol treatment center, he said that the policy should be that ''all are welcome, welcome to be saved so they become sober.''

I support every American's right to seek salvation through their religion, but our only interest in federally-funded programs should be whether they provide qualified services for which they are funded. No, this amendment does not discriminate against religion, it protects people from discrimination because of their religion.

In closing, I will correct a third misunderstanding, that the faith community opposes this amendment. A wide range of faith-based organizations support this amendment because they recognize that it is not an attack on American religious freedoms, but a defense of those freedoms.

So I thank the gentleman from Virginia (Mr. SCOTT), the gentleman from Maryland (Mr. VAN HOLLEN), the gentleman from Texas (Mr. EDWARDS), and the gentleman from New York (Mr. NADLER) for their commitments to protecting American's liberties and I encourage all Americans to join us in supporting this amendment.

Mr. BOEHNER. Mr. Chairman, I reserve the balance of my time.

Mr. SCOTT of Virginia. Mr. Chairman, I yield 3 minutes to the gentleman from Maryland (Mr. VAN HOLLEN), a cosponsor of the amendment.

Mr. VAN HOLLEN. Mr. Chairman, I thank the gentleman from Virginia (Mr. SCOTT) for yielding me this time.

First, let me clarify what this amendment is not about. This amendment is not about whether faith-based organizations do a terrific job in our communities and around the world in providing services. They do, and they are doing that every day. Catholic Charities, Jewish Federation, and a whole variety of Protestant denominations currently receive Federal dollars to provide services in our community and around the world. Indeed, many of them receive money today to provide job training services, and they do a good job.

And guess what, today they are doing it under current law which says when they receive those Federal tax dollars, they may not discriminate in who they hire based on religion, and not one of those organizations has come to me and said we could do a better job in providing job training services if only you would let us discriminate based on religion. That is what this is all about.

The Civil Rights Act of 1964 does not say in any way that religious organizations can take taxpayer dollars and then discriminate in their hiring based on religion when they are providing services based on those dollars. The issue is very simple. Taxes are paid by Christians, by Jews, by Muslims, by people of all denominations. We are now using those resources to provide to faith-based organizations, and what the bill would allow people to do is to say to somebody who is coming to apply for a job to provide job training services, you know what, we know you are qualified, we know you have a great education, know you can do a good job in providing job training services, but you are the wrong religion. We do not want you because you are Christian, we do not want you because you are Jewish, we do not want you because you are the wrong religion. That is a terrible message to be sending to people throughout this country. In fact, it is a great irony that in a bill that is designed to provide job training to help more people get jobs, we would put in a provision that would deny someone an opportunity to get a job providing job training based on their religion.

□ 1730

I urge my colleagues to stick with the current law, because what the underlying bill does is eliminate current law and give a green light that allows people to discriminate based on religion, a terrible message to send. Let us not do it.

Mr. BOEHNER. Mr. Chairman, I yield myself 30 seconds. Title VII of the 1964 Civil Rights Act explicitly says that religious organizations in their hiring can hire people of their own faith. Period. That is what it says. It does not say whether you take Federal money or you do not take Federal money. It says that a religious organization can take religion into account in terms of their hiring. Period.

Mr. Chairman, I yield 5 minutes to the gentleman from Indiana (Mr. SOUDER).

Mr. SOUDER. Mr. Chairman, I want to further elaborate on the last point in this amendment's attack on religious liberty in the United States, that in fact the interpretation in the Presiding Bishop v. Amos, the Supreme Court unanimously upheld the language permitting religious organizations to staff on a religious basis in matters concerning employment when they receive Federal funds, in a unanimous decision.

Finding that the exemption did not violate the establishment clause, the Supreme Court has made it clear that

it is ''a permissible legislative purpose to alleviate significant governmental interference with the ability of religious organizations to define and carry out their religious missions.''

Even where the content of their activities is secular, in the sense that activities do not include religious teaching, proselytizing, or worship, and it is very important for everybody to understand, we all agree you cannot have prayer, you cannot proselytize, you cannot use government funds for anything but a secular purpose in job training, Justice Brennan, hardly a conservative, said that even if a religious organization is providing job training, which would be a secular thing, it is likely to be infused with a religious purpose. In other words, the motivation of the individuals probably is religious.

He also recognized that churches and other religious entities ''often regard the provision of such services as a means of fulfilling religious duty and of providing an example of the way of life a church seeks to foster.'' He is perhaps one of the greatest liberal justices of all time. And then he recognized that preserving the title VII protections when religious organizations engage in social services is a necessary element of religious freedom.

This attempt to redefine the Supreme Court in today's debate is unfortunate. It is, in my opinion, bigotry against many religious people in the United States who would like to provide assistance to the poor, who would like to leverage their funds, their volunteer time, their churches, but are being told that even though they accept everybody in, even though they cannot proselytize with it, that they are not welcome to participate, they are going to have their liberties taken away.

For example, a case we often hear, well, they can set up a 501(c)3 or not have that reach, but Catholic Charities, an organization that historically has taken funds and it is often held up, the California Supreme Court just said that because Catholic Charities offers secular services to clients and does not directly preach Catholic values, it is therefore not a religious organization. Therefore, the court ruled that Catholic Charities must provide services contrary to their religious principles.

Furthermore, as we take the logical extension of this which we are dealing with in whether we provide buses and computers to private schools and which will certainly come up in education bills in front of our committee, one of the questions is, if those funds run through the bishop's office, does in fact the reach of the funds that go for buses and for computers, which the court has ruled a computer does not do the proselytizing, the software does the proselytizing, will this reach back in because the governance of Catholic Charities ultimately comes back to the bishop's office?

Court rulings are increasingly tilting that direction because we have falsely interpreted what is religious liberty in the United States and that we have to make it clear in these bills which, as the chairman has pointed out, have passed this House multiple times, the President of the United States in many of these was not President Bush pushing a faith-based initiative, but President Clinton. And as the Member from Maryland has pointed out, he did not enthusiastically say this was going to be upheld; but the fact is over the objections of many on his side, he supported it.

Former Vice President Gore has said specifically that religious organizations should not have to change their religious character in order to participate. What does religious character mean? It means that if you are an Orthodox Jewish group and you are going to serve everybody in your community, that you get to be an Orthodox Jewish group; if you are an evangelical group that believes in the resurrection of Jesus Christ, that people who represent your organization should share that belief; if you are a Muslim group, that people who represent that group should share that.

The fundamental question here is, and through my Subcommittee on Criminal Justice and Human Services we held eight hearings across the United States and we had a great debate in every region of the country, but many organizations came forth, whether they were Muslim, Jewish or Christian in some form, and said, we cannot compromise the nature of our faith if you are going to make us change our hiring practices.

So what we are saying, by trying to take away their religious liberty, if they want to provide secular services, that we are discriminating and changing policy contrary to what President Clinton has supported, contrary to what President Bush has supported, contrary to the different nominees of both parties; and it will be a sad day if this Congress after bipartisan efforts for the last 5 to 8 years to push this type of legislation to allow these faith-based groups at the table would go backwards and say, you are no longer welcome, you are not invited to help anymore, you are off the table.

I believe that the Members, and I know one argument is that we had these debates in the middle of the night, I believe Members actually looked at those bills and they knew what they were voting for, and I hope they will not flip-flop today.

Mr. SCOTT of Virginia. Mr. Chairman, I yield 3½ minutes to the gentleman from Massachusetts (Mr. FRANK), a cosponsor of the amendment.

Mr. FRANK of Massachusetts. Mr. Chairman, the history is ambiguous. Courts have been on both sides. The principle is what is involved. We are told that if we adopt this amendment, we are denying the liberty to religious organizations. The liberty that is being asked, frankly I am disappointed to hear this asserted, and I think the greatest denigration of religious organizations coming forward here are those who are saying this: there are religious groups in this country who are eager to help people in need, but if they get Federal tax dollars to help people in need and they are forced to associate with heathens and unbelievers and infidels, then they will be driven away.

What is so terrible about saying to the Orthodox Jews in Brooklyn who were cited, you want to help the people in Brooklyn, the people you want to help will be black and Hispanic, they will be white and poor and Jewish and Christian, if you really want to help them, on your own, whatever you want to do, you can do. But if you want all of those people in Brooklyn who paid Federal taxes, if you want a share of their Federal taxes to run a program to help them, God forbid, I guess you mean this literally, God forbid you should have to hire one of them.

Martin Luther King said, and it is sadly still true, that one of the most segregated times in America is the hour of worship. So understand that when you empower the religious groups to discriminate based on religion, you will also de facto empower some segregation. Those Orthodox Jewish groups in Brooklyn will hire very few black people in Brooklyn. And if in fact you have a policy that says all the money is going to go in these areas to the religious groups, then what about people who are not religious? The Constitution says you should not discriminate against them. You may not think much of them, but you should not be discriminating against them, but they cannot ever get a job.

And you talk about message. I love this message. What we are going to be saying if you win here in the House of Representatives is, attention all Shiites, do not hire Sunnis. That is your principle. Apparently, we are going to be encouraging the people in Iraq with Iraqi Government money or American Government money, a lot of it is going to Iraq, do you really think you want to send that message to the Shiites that when they try to rebuild their country they should not hire Sunnis?

And what are you saying? That there is something somehow so corrosive about associating with someone of a different religion that it disables you from doing good? What kind of motivation do you impute to these people? You want to do good, but you should not have to associate with one of those people. By the way, even you acknowledge that the people being served have to be of all religions. So this religious purity that apparently is so essential has already been dissolved.

But here is the point: we are being asked to say to Americans, yes, you will pay taxes for this; but the taxes you pay, you are not eligible for a job because you believe in the wrong God. Or you believe in God in the wrong way. You believe in the wrong denomination. Or you do not believe. Again, what are you saying? Is it really the case that religious organizations, that they are somehow so angry towards outsiders, that they feel so unclean that they cannot help people in need if they have to associate with people who are otherwise perfectly qualified, who believe in the mission of this entity, but they do not share the same religion?

I hope we will not so characterize religious people as being so narrow and so biased towards people not of their own religion that they cannot even work with them in this common cause to which you say they are committed.

Mr. SOUDER. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania (Mr. PITTS).

Mr. PITTS. Mr. Chairman, I rise in opposition to this amendment. The 1964 Civil Rights Act explicitly protects the rights of religious organizations to take religion into account in their hiring practices. In fact, the Civil Rights Act made clear that when faith-based organizations hire employees on a religious basis, it is an exercise of the organization's civil liberties and does not constitute discrimination under Federal law.

The writers of that legislation understood that a church, a synagogue, a mosque all operate as distinctly religious organizations. They are, therefore, protected under the first amendment's right to the free exercise of religion.

Why are we being asked today, then, to approve an amendment that revokes the constitutional right of faith-based communities to practice their religions freely? This amendment would revoke the constitutionally protected right of faith-based groups to maintain their religious nature and character through those they hire. By denying the rights of religious organizations to hire according to their principles, this amendment declares war between the government and faith-based organizations, it cuts services for people in need, it eliminates the role of faith-based organizations in our government efforts to help.

I doubt that the gentleman from Virginia would support an amendment forcing him to hire staff who oppose his values and priorities as a legislator. Why then are we being asked to call it discriminatory when a Christian or Muslim charity wants to consider the beliefs of potential employees before hiring them? Such practices have been upheld by the United States Supreme Court. If this amendment passes, we might as well revisit the Civil Rights Act itself, since we would be rewriting it today.

Faith-based providers cannot be expected to sustain their religious missions without the ability to employ individuals who share the tenets and practices of their faith. The success of any organization is having everyone on board with its essential principles and vision. The Civil Rights Act secures that right, the Supreme Court protected it, and we should follow suit.

This amendment should be defeated.

Mr. SCOTT of Virginia. Mr. Chairman, we are revisiting the civil rights laws. There has been no discrimination since 1965, and that is exactly what we are revisiting.

Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. GEORGE MILLER), the ranking member of the Committee on Education and the Workforce.

Mr. GEORGE MILLER of California. I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in strong support of his amendment, and I find it just incredible that all of a sudden discrimination becomes the core of religious organizations, for those of us who have spent almost 40 years working with faith-based organizations in our communities involved in all kinds of public service endeavors, all kinds of delivery of services to people in need, to help members of our community in almost everything, from education to child care to job training to substance abuse to a whole range of activities that are absolutely essential to binding our community together.

Nobody said that discrimination was a fundamental part of this operation all through the sixties and seventies, the eighties or the nineties. None of these organizations ever said they were unable to deliver these services, unwilling to deliver these services, unwilling to help these people whom they have chosen to extend the services of their organization to; when they took Federal money said they could not do this because they needed to discriminate. But all of a sudden now the suggestion is that the basic tenet is that you must be able to discriminate. You must be able to discriminate or you will not deliver these services.

What does it also say about the use of the taxpayers' dollars? If the best person to provide the substance abuse counseling, if the best person to provide the child development, if the best person to provide the job training is not of the same religion, is the taxpayer getting a fair shake when they hire somebody else that does not have those qualifications? Should we not be looking for the best person to provide these services? You cannot maintain your religious character, you cannot maintain the religious character of your organization unless you can discriminate in hiring?

Organizations, again, have never suggested that they have been diminished because they ran a child development center. They have never said they have been diminished because they ran an afterschool program because they could not discriminate. What is this liberty to discriminate against somebody else using Federal dollars? This is absolutely unacceptable.

□ 1745

Mr. SOUDER. Mr. Chairman, I yield 3 minutes to the gentleman from Georgia (Mr. PRICE), a member of the Committee on Education and the Workforce.

Mr. PRICE of Georgia. Mr. Chairman, I appreciate the opportunity once again to speak on this, and I urge my colleagues to oppose this amendment. The misunderstandings and confusion and frankly the hyperbole is phenomenal coming out of the other side. No one, no one, is encouraging faith-based institutions to discriminate with the language in this bill.

Sometimes I think it is helpful to go back to the original language. We have had a lot of reference to title VII of the Civil Rights Acts of 1964. What it says specifically is ''This subchapter shall not apply to an employer with respect to the employment of,'' et cetera. It does not say anything about the source of the money. Nothing. There is no mention of the source.

There has been some discussion about previous language that many Members on the other side of the aisle have adopted in previous bills, four pieces of legislation under the Clinton administration. President Clinton himself said that no discrimination with employment in the bills that were adopted, and we have heard about them, the welfare reform, the community renewal tax relief, Community Services Block Grant, substance abuse. The gentleman from Virginia (Mr. SCOTT) himself said that there has been no discrimination since 1965.

Well, the exact identical language in this bill was in those. If there is this incredible occurrence that is happening out there with this remarkable discrimination, where are the examples under those bills? Where are the examples of discrimination under those bills that have exactly the same language as this bill that we are promoting here?

I urge my colleagues to oppose this and to be certain, to be certain, there is no intent or desire on anybody on this side of the aisle to encourage discrimination by faith-based institutions.

Mr. SCOTT of Virginia. Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. NADLER), a cosponsor of the amendment.

Mr. NADLER. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, since the presidency of Franklin Roosevelt, our Nation has

moved inexorably toward the elimination of all forms of discrimination in government contracting and in the private sector. This bill rolls back that commitment that would enshrine the principle of religious discrimination in one of our most important job training programs at a time when many Americans are losing their jobs and need the help these programs offer.

Members on the other sides of the aisle say that this would roll back the ability of churches and synagogues to discriminate on the basis of religion now. Nonsense. They can discriminate. No one tells the Catholic Church they have to hire women priests. No one tells the Catholic Church or any other church or synagogue they have to hire a janitor of a different religion. Nor would this amendment. What this says is that with Federal funds, they cannot discriminate. With their own funds they still can.

President Reagan, who signed the original version of this legislation 23 years ago, did not think it was necessary to allow employment discrimination with Federal funds. No one should ever be told that they cannot hold a job simply because they profess the wrong faith. And why is this necessary? Are religiously affiliated charities unable to participate in federally social services programs? Is there a single Member of this House who has not held secure government funds for such programs? For Catholic Charities? The Federation of Protestant Welfare Agencies? The Jewish Federation, and countless others? We all get these funds. That is no secret.

The only thing required of these organizations is that they play by the same rules as everyone else. They cannot make professing religious faith a precondition of receiving social services paid for with the taxpayers' dollars, and they cannot discriminate in employment when those jobs are paid for with taxpayers' dollars.

We have all heard about the bad old days when signs hung in windows: ''No Catholics need apply,'' ''No Jews need apply. Fill in one's favorite denomination. That is wrong. People of every faith pay their taxes, and we have no right to deny them employment paid for by those taxes.

It is wrong. It is unAmerican. It is immoral. It is unnecessary, and it is unprecedented.

These are the armies of compassion. Religious discrimination with taxpayers' dollars is not compassionate. I urge support for the amendment.

Mr. BOEHNER. Mr. Chairman, I yield 3 minutes to the gentleman from Puerto Rico (Mr. FORTUÑO).

Mr. FORTUÑO. Mr. Chairman, the discussion today is really about protecting the mission of those religious organizations that some of the Members here are proposing that we regulate even further in spite of the wonderful job they are doing to work with our social ills. It is also about preserving the strength and integrity of religious organizations that engage in this type of social work. It is not a license we are looking for to impose particular religious beliefs, but a guarantee to protect the administrative integrity that is part of each religious group that engages in this type of work.

Faith-based and community-based organizations are far better suited than a government bureaucracy to address these issues and produce results. Key to their success is a unifying roll they often play in their communities, as well as their proximity to individuals and communities in need.

This is especially true, I must say, of the Hispanic American population. Hispanic Americans traditionally, in following their traditional values and beliefs, often turn to faith-based and community organizations for help. By channeling social services through these organizations, we can avoid losing members of this community in our society.

However, what some today are trying to do here is essentially trying to tell them whom they can hire and whom they cannot hire. I know of different programs actually as we speak here in Washington, D.C. I have a group of six or seven ministers from the northwestern part of Puerto Rico that are visiting with us today, and they have been doing, for a number of years, a wonderful job in terms of working with our younger population. No one from Washington, I repeat, no one from Washington, has a right to tell them whom they can hire and whom they cannot hire. When a faith-based group hires employees on a religious basis, they are exercising their civil liberties. No one from Washington will take that away from them. If denied the right to staff their programs on a religious basis, employees of religious organizations not sharing the religious organization's faith could end up suing to tear down religious art or symbols and perhaps even its religious sounding name.

What is really happening here is there are some people who do not believe that these organizations should be performing the job they are performing.

I ask everyone here to oppose the amendment that has been introduced.

Mr. SCOTT of Virginia. Mr. Chairman, I yield 3 minutes to the gentleman from Arizona (Mr. GRIJALVA).

Mr. GRIJALVA. Mr. Chairman, I rise today in support of the gentleman from Virginia's (Mr. SCOTT) amendment to H.R. 27.

Twenty-three years ago, the Workforce Investment Act was first enacted. It established a commonsense clause prohibiting job discrimination on the basis of religion. WIA then was originally designed to provide funding for secular social services. Clearly, it did not intend to permit government-funded job training programs to engage in religious discrimination when making an employment decision, which is exactly what this bill purports to do.

H.R. 27 would allow faith-based organizations to discriminate not just on the basis of a person's religious affiliation, but also on how closely they follow the tenets of that religion. This would include religious beliefs on medical treatments; procedures; marriage; pregnancy; gender; and, yes, even race.

Under this bill, if a woman providing workforce rehabilitation services in a faith-based organization was found to be using birth control, she could be fired, demoted, or not promoted. Or if a faith-based organization frowned upon women working outside the home, they could deny a woman a job just because of her gender or even deny it to her husband for allowing such a breach of faith.

It is simply unAmerican to set the clock back on the safeguards provided to protected classes, including religion, sex, race, ethnicity, and sexual orientation. H.R. 27 would remove these important protections, allowing faith-based organizations to discriminate on the basis of religion, even regarding the secular social services they provide.

This bill contains the first ever major rollback of civil rights protections that were established over 40 years ago, and many of us, including myself, have profited from those protections and from those rights granted to us 40 years ago. This is an unconscionable change of Federal law, and I cannot support a bill with such provisions.

Mr. Chairman, I urge my colleagues to join me in supporting the Scott amendment and voting ''no'' on the final passage of this bill that endorses a Federal rollback of decades-old civil rights and privacy protections.

Mr. BOEHNER. Mr. Chairman, I yield 3 minutes to the gentlewoman from North Carolina (Ms. FOXX).

Ms. FOXX. Mr. Chairman, I rise in opposition to the Scott amendment, which seeks to strike important protections for religious organizations included in the bill.

I am frankly appalled at the scale of the rhetoric being presented by the minority party on this issue. We know that many religious organizations in our hometowns and across America provide invaluable job training services in our communities. We must help religious organizations, whether they be churches, synagogues, or mosques, maintain their integrity while continuing to provide these vital services to those in need.

This debate is about whether a religious organization should have the ability to select employees who share

common values and sense of purpose. This is not saying that they will not hire people of other religions but we will not force them to do so. This is a vital criterion for all organizations, especially religious ones. A secular group, such as Planned Parenthood or the Sierra Club, that receives government money, is currently free to hire based on their ideology and mission but still use Federal funds in accordance with the terms of the program. How can we allow this for groups such as these and not allow it for groups that are religious by nature?

Others who oppose these hiring protections for religious organizations talk about discrimination. The only discrimination that would take place here is if we do not include these protections. Without them we would be discriminating against religious organizations just because they are religious. Religious organizations should be allowed to apply for the same amount of government money for services they provide that nonreligious organizations do. If we deny them these protections, many of them would have to compromise their missions or not apply at all for assistance in implementing these services.

The real question here should be, do we want to be telling religious organizations whom they can hire and cannot hire? No. Nowhere in the Civil Rights Act of 1964 does it state that a faith-based organization loses its rights if it accepts Federal funds.

Our Nation was founded by those fleeing religious persecution and seeking religious freedom. For us to forget that and to place restrictions of this sort on our churches is contrary to the very foundation of this great Nation. I implore each and every one of my colleagues to take a long hard work at what message we would be sending to oppressed people across the globe if we do not include these important protections for religious organizations.

If we approve this amendment, we could be seriously damaging the integrity and mission of these faith-based institutions that only seek to serve our communities.

I urge the Members to oppose this amendment and support these important protections for religious organizations that want to provide job training services to our communities.

Mr. SCOTT of Virginia. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey (Mr. ANDREWS).

Mr. ANDREWS. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, next month my family and I will observe my wife's Jewish tradition and recite the ancient story, the Passover at our family seder. Later this month, I will honor my religious tradition and commemorate Christ's crucifixion on Good Friday and his resurrection on Easter Sunday. And today I will honor the principles behind the United States Constitution and vote for the gentleman from Virginia's (Mr. SCOTT) amendment.

The principle here is that when an organization takes Federal money, it takes with it the responsibility not to discriminate. I do not think we should ever have a situation in this country where an organization takes taxpayers' money collected from everyone and then says if they want to be a job counselor in our agency, they cannot be a Catholic, they cannot be Jewish, they cannot be Muslim, they cannot be an evangelical Christian. Our religious organizations are free and should remain free to discriminate with their own funds. That is the religious liberty that our friends on the other side refer to correctly. But that liberty does not extend to the power to use someone else's money to subsidize the practice of one's religion. That is the establishment of a religion which is specifically precluded by the first amendment of the Constitution.

It would be a travesty to reject the gentleman from Virginia's (Mr. SCOTT) amendment. It would be wholly consistent with the religious principles of this country to adopt it. I would urge its adoption.

□ 1800

Mr. BOEHNER. Mr. Chairman, I am pleased to yield 3 minutes to the gentleman from Louisiana (Mr. JINDAL).

Mr. JINDAL. Mr. Chairman, I rise in opposition to the offered amendment. It seems to me in our country right now we have an all-out assault on faith-based groups. Just this week, a court in my home State of Louisiana ruled that school boards were prohibited from having voluntary school board member-led prayers to begin their meetings. Now, this very Chamber, the Supreme Court, and many government entities begin their proceedings with a prayer; and along that line I see nothing wrong with us inviting faith-based groups to be partners with the government in training tomorrow's workforce.

To me, this debate should be about one and only one thing, and that is how do we provide the most effective training for our future workers? Nobody here is arguing that we should have an unlevel playing field. Nobody here is arguing for favoritism for faith-based groups. Rather, we are simply saying, let us level the playing field. Let us invite those who are motivated by faith to help us to train displaced workers, to train tomorrow's workforce.

In my home State of Louisiana, faith-based groups have done a wonderful thing. They have provided health care to those who needed it; they have provided education, housing and shelter to those whose needed it the most.

What is next? If you extend the logic of this amendment, what might be next might be those Catholic hospitals not being able to accept Medicare patients. What might be next might be the Baptist hospitals not being allowed to participate in our State's Medicaid program.

We are not asking for special treatment. All we are saying is let us build on a bipartisan precedent, a precedent set in the Civil Rights Act, a precedent reaffirmed under President Clinton under four different bills. Let us build on that bipartisan precedent of opening the doors and allowing faith-based groups to participate as equal partners.

People of faith pay taxes as well in this country. We are not arguing for special treatment; we are just arguing for a level playing field.

Four different times this Congress saw fit to open those doors to faith-based groups. Four different times President Clinton signed into law four different measures designed to protect the interests and rights of faith-based groups.

Today this bill that we are going to approve later on the floor today simply takes another step forward. It simply says to the faith-based community, we will not discriminate against you. We will not require you to give up your employment rights guaranteed or granted to you by the 1964 Civil Rights Act.

To quote Members from the other side, Senator KERRY and Senator CLINTON, those that have stood before for freedom and plurality, they themselves say, Senator CLINTON in her own words says, ''There is no contradiction between support for faith-based initiatives and upholding our constitutional principles.'' Senator KERRY says, ''I know there are some that say that the first amendment means faith-based organizations can't help government. I've never accepted that. I think they are wrong.''

In this instance, I find myself in agreement with both Senator KERRY and Senator CLINTON. The first amendment is not designed to protect government, not designed to protect us from faith; it is rather designed to separate church and State. It is, rather, designed to protect faith from government, not the other way around.

So I think we need to stop closing the door to people of faith. We need to stop discriminating against those groups that are motivated by their religious beliefs to help the weakest in society. I rise in opposition to this amendment.

Mr. SCOTT of Virginia. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, we keep hearing that we are discriminating against religious organizations in terms of participation in government contracts. That is not true. The fact is that they can participate. When you talk about a barrier, say what the barrier is. The barrier is, there is a level playing field; you cannot discriminate.

We have also heard a lot about the 1964 Civil Rights Act. What has not been said is since 1965 there has been a specific prohibition against discrimination in Federal contracts. You have not been able to discriminate in a job training program since 1965. In fact, for defense contracts, you have not been able to discriminate since 1941.

We also heard, Mr. Chairman, about the hiring for Planned Parenthood, I believe, and what your position is on abortion or gun control or something. In the 1960s, Mr. Chairman, we passed civil rights laws to respond to our sorry history of bigotry, and we designated specific protected classes where you could not discriminate in employment, race, color, creed, national origin and sex; and you cannot discriminate against those protected classes.

There is a difference between telling somebody they cannot get a job because I do not like your position on gun control and we do not hire blacks or Jews. Race and religion are protected classes; positions on gun control and abortion are not, and there is a difference.

Mr. Chairman, I yield 6 minutes to the gentleman from Texas (Mr. EDWARDS).

Mr. EDWARDS. Mr. Chairman, this debate is about one question that each Member and each American should ask himself or herself. This is the question: Should any American citizen have to pass someone else's private religious test to qualify for a tax-funded job? I think the vast majority of Americans would answer that question, absolutely not.

Should the gentleman from Ohio (Mr. BOEHNER), who is the author of this bill, have to come to me if I get a $5 million job computer training grant from the Federal Government under this bill, should the gentleman from Ohio (Mr. BOEHNER) have to come to me and answer a 20-point religious questionnaire? Should the gentleman from Ohio (Mr. BOEHNER) have to say whether or not he believes in Jesus Christ, whether or not he believes in evolution, whether or not he believes in the literal interpretation of the New Testament?

I do not think the gentleman from Ohio (Mr. BOEHNER) should have to answer those kinds of questions to me as a recipient of a $5 million job training grant. And without the Scott amendment, that is exactly what could happen under this bill.

For those who oppose the Scott amendment, let me say what you are endorsing. You are saying it is okay for a church associated with Bob Jones University, at least based on its past philosophy, it can take a $1 million job training grant and pay for a sign that says, No Jews Or Catholics Need Apply Here For a Federally Funded Job. Do you really think that is right?

What the opponents of the Scott amendment are saying is that the members of a white church who received a $1 million job training grant can say to an African American applicant, You do not belong to our church. Even though you are totally qualified for this federally funded job, we are not going to hire you.

What this bill would say, without the Scott amendment, is that someone could say to a single mom trying to find a job in our religious faith, We do not believe single mothers should work, so we are not going to hire you, even though you are fully qualified for this job.

Religious discrimination is wrong. To subsidize it in the year 2005 I find unbelievable. It is unbelievable that on the very day American soldiers are risking their lives in Iraq, and perhaps some have given their lives today in Iraq to give the Iraqis religious freedom, we are debating a bill on the floor of this House that would say an American citizen can be denied a federally funded, tax-funded job for simply one reason, the exercise of your religious faith.

Religious freedom is not just any freedom; it is the first freedom. It is the first freedom enunciated in the Bill of Rights. It is the freedom upon which all other freedoms we cherish in this country are built.

The Founding Fathers thought so much about that freedom, about religious freedom, they put in the first 16 words of the first amendment these words: ''Congress shall pass no law respecting an establishment of religion, or prohibiting the free exercise thereof.''

If saying that someone has to lose a job to support his or her family because they are exercising their own deeply-felt religious faith, if that is not prohibiting the free exercise of religion, what is? If saying we are going to take away your ability to put food on the table for your children and a job that is paid for by taxpayers, to say that you cannot have that job because you do not pass my private religious test, if that is not prohibiting the free exercise of religion, what is?

The ninth commandment warns people to not bear false witness against thy neighbor. Yet repeatedly I have heard on this floor those say on this side of the floor that supporters of the Scott amendment are opposed to faith-based groups being involved in providing social services.

I would suggest perhaps they should not only preach the Ten Commandments; perhaps they should exercise and practice the ninth commandment, because to make that argument is to suggest that the Baptist Joint Committee, the American Jewish Committee, and numerous other religious groups are somehow opposing faith-based groups' involvement in Federal social service programs. You know that argument is simply not correct.

This amendment, the Scott amendment, is about one question and one question alone: Should any American citizen have to pass another American citizen's private religious test to qualify for a federally funded job? I hope the Members of this House will respect the Founding Fathers and the first amendment and the views of the vast majority of American citizens and say, no, you should not be denied a tax-funded job because of the exercise of your religious faith.

I urge Members on both sides of the aisle to put partisanship and politics aside. Vote for religious freedom. Vote for the Scott amendment.

Mr. BOEHNER. Mr. Chairman, I reserve the balance of my time.

Mr. SCOTT of Virginia. Mr. Chairman, I yield myself the balance of my time.

The Acting CHAIRMAN (Mr. BASS). The gentleman from Virginia is recognized for 4 minutes.

Mr. SCOTT of Virginia. Mr. Chairman, this amendment does not propose any new initiative. The adoption of this amendment will simply keep the law the way it has been in job training programs since 1965.

Much has been said about court cases. None of those court cases involved Federal money. They involve church money and what the church can do with its church money; and whether it is religious or secular activities, it is still the church's money, not Federal money.

Since 1965 there has been no discrimination with Federal money, at least until these faith-based initiatives came along. In fact, since 1941 there has been no discrimination in defense contracts, without exception. So if you want to sell the Army some rifles, if you discriminate in employment, the Army will not buy those rifles from you.

Mr. Chairman, a lot has been said about the Clinton administration. Let me say I will be introducing into the RECORD statements made at the signing of those bills outlining the interpretation of the Clinton administration, outlining why there would be no discrimination in employment under the Clinton administration, notwithstanding the language in those various bills.

There has been no discrimination against faith-based organizations. Speakers have suggested that they cannot get contracts. The fact of the matter is that they can get contracts. In fact, anybody that can get funded under the underlying bill could be funded if the organization would simply agree not to discriminate in employment.

In 1964, a gentleman during the debate on the floor said in terms of whether or not you can get the money, ''Stop the discrimination, get the money; continue the discrimination, do not get the money.''

That is what we are talking about here. Telling somebody that they are not qualified for a federally paid-for job because of religion is wrong. Adopt my amendment and we will keep the law the way it has been since 1965.

Mr. Chairman, I yield back the balance of my time.

Mr. BOEHNER. Mr. Chairman, I yield myself the balance of my time.

The Acting CHAIRMAN. The gentleman from Ohio is recognized for 8 minutes.

Mr. BOEHNER. Mr. Chairman, I think it is important that we keep our eye on the target here. The bill before us seeks to help Americans who need job training services or retraining services to help them have an opportunity to participate and succeed in the economy of the 21st century. The question is how best do we deliver those services.

Under the Workforce Investment Act, we set up these one-stop centers all over the country. They have in fact been wildly successful. But we also know that there are pockets of poverty, pockets of people in very dire straits, that are not going to come walking into a one-stop shop. We also know that there are organizations out there that as part of their faith, part of the mission of their faith, go out and help those in need.

□ 1815

Now, what we are trying to do is to make sure that these services get to the people that they need. So in this bill we include protections for those faith-based organizations who may want to participate in this program, give them the opportunity to do that without, without giving up their rights under the 1964 Civil Rights Act.

It is a very simple question that we are down to here. My friends on the other side of the aisle, by and large, want to say if you take one Federal dollar in the pursuit of helping others under this program, you have to give up your rights under the 1964 Civil Rights Act. That is the whole point here.

POINT OF ORDER

Mr. SCOTT of Virginia. Mr. Chairman, I have a point of order.

If it is true that they cannot discriminate with the Federal money, but can discriminate with the church money, is the statement that the gentleman mentioned, true or not?

The Acting CHAIRMAN (Mr. BASS). The gentleman is not stating a point of order.

The gentleman from Ohio (Mr. BOEHNER) will continue.

Mr. BOEHNER. Mr. Chairman, so the debate here boils down to one of two issues, you believe that if these faith-based organizations want to participate in these programs that they have to give up their rights under the 1964 Civil Rights Act.

We believe and the majority of this House has believed on a number of occasions as we have had this vote, that faith-based organizations who want to help the neediest of the needy should in fact be able to have their rights under the 1964 Civil Rights Act. It is just as simple as that.

So I would ask my colleagues as they look at this bill and look at this amendment to support the work that we have done, to allow these groups to participate. They do good work. There is no reason why that they cannot partner with the Federal Government to help us in our effort to help the neediest of the needy, and to help improve the prospects for job training and retraining to help all Americans participate in the 21st century economy and give them a chance to succeed at the American dream.

Mr. Chairman, I ask my colleagues to vote against the Scott amendment.

Ms. KILPATRICK of Michigan. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Virginia, Mr. SCOTT. As written, the underlying bill will make it legal for faith-based organizations that receive federal funds and run job-training programs to discriminate in their hiring practices.

Throughout my life, I have fought against discrimination wherever it is practiced in our social, cultural, political and economic life. The language contained in this bill goes against that core principle. The president and I have our disagreements, but the one concern we do share is that Sunday is generally regarded as the most segregated day of the week. The bill before us today encourages faith-based organizations to practice discrimination within their employment practices with Federal funds during the workday week.

I support the work of our religious institutions in sponsoring federal programs and delivering vital social and employment programs to our communities. I first sought elected office by the grace of our God and at the urging of my church. But supporters of this bill contend if you do not allow religious organizations to hire members of their own faith, we are denying religious institutions from participating in federal programs that deliver needed services to our local communities. In other words, they argue we are practicing religious bigotry.

Nothing can be further from the truth. In fact, I would suggest that this movement is reminiscent of the days of school desegregation when many parents withdrew their children from public school so they could attend so-called Christian academies for the purpose learning. Why does the federal government want to encourage that kind of action? This bill does just that.

I urge my colleagues to vote "no."

Mr. BOEHNER. Mr. Chairman, I yield back the balance of my time.

The Acting CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia (Mr. SCOTT).

The question was taken; and the Acting Chairman announced that the noes appeared to have it.

Mr. SCOTT of Virginia. Mr. Chairman, I demand a recorded vote.

The Acting CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Virginia (Mr. SCOTT) will be postponed.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The Acting CHAIRMAN. Pursuant to clause 6 of rule XVIII, proceedings will now resume on those amendments on which further proceedings were postponed, in the following order:

Amendment by the gentleman from Michigan (Mr. KILDEE), amendment by the gentlewoman from New York (Ms. VELÁZQUEZ), amendment by the gentleman from Virginia (Mr. SCOTT).

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

AMENDMENT NO. 1 OFFERED BY MR. KILDEE

The Acting CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Michigan (Mr. KILDEE) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The Acting CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 200, noes 222, not voting 11, as follows:

[Roll No. 44]

AYES—200

Abercrombie	Davis (AL)	Inslee
Ackerman	Davis (CA)	Israel
Allen	Davis (FL)	Jackson (IL)
Andrews	Davis (IL)	Jackson-Lee (TX)
Baca	Davis (TN)	Jefferson
Baird	DeFazio	Johnson (CT)
Baldwin	DeGette	Johnson, E. B.
Barrow	Delahunt	Kanjorski
Bean	DeLauro	Kaptur
Becerra	Dicks	Kennedy (RI)
Berkley	Dingell	Kildee
Berman	Doggett	Kilpatrick (MI)
Berry	Doyle	Kind
Bishop (GA)	Edwards	Kucinich
Bishop (NY)	Emanuel	Langevin
Blumenauer	Engel	Lantos
Boren	Eshoo	Larsen (WA)
Boswell	Etheridge	Larson (CT)
Boucher	Evans	Leach
Boyd	Farr	Lee
Brady (PA)	Fattah	Levin
Brown (OH)	Filner	Lewis (GA)
Brown, Corrine	Ford	Lipinski
Butterfield	Frank (MA)	Lofgren, Zoe
Capps	Gonzalez	Lowey
Capuano	Gordon	Lynch
Cardin	Green, Al	Maloney
Cardoza	Green, Gene	Markey
Carnahan	Grijalva	Marshall
Case	Gutierrez	Matheson
Chandler	Harman	McCarthy
Clay	Hastings (FL)	McCollum (MN)
Clyburn	Herseth	McDermott
Conyers	Higgins	McGovern
Cooper	Hinchey	McIntyre
Costa	Hinojosa	McKinney
Costello	Holden	McNulty
Cramer	Holt	Meehan
Crowley	Honda	Meek (FL)
Cuellar	Hooley	Melancon
Cummings	Hoyer	

Menendez
Michaud
Miller (NC)
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murtha
Nadler
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Schakowsky
Schiff
Schwartz (PA)
Scott (GA)
Scott (VA)
Serrano
Shays
Sherman
Simmons
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOES—222

Aderholt
Akin
Alexander
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boustany
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Carter
Castle
Chabot
Chocola
Coble
Cole (OK)
Conaway
Cox
Crenshaw
Cubin
Culberson
Cunningham
Davis (KY)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Drake
Dreier
Duncan
Ehlers
Emerson
English (PA)
Everett
Feeney
Ferguson
Fitzpatrick (PA)
Flake
Foley
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Green (WI)
Gutknecht
Hall
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoekstra
Hostettler
Hulshof
Hunter
Hyde
Inglis (SC)
Issa
Istook
Jenkins
Jindal
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kuhl (NY)
LaHood
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas
Lungren, Daniel E.
Mack
Manzullo
Marchant
McCaul (TX)
McCotter
McHenry
McHugh
McKeon
McMorris
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Otter
Oxley
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Porter
Portman
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Renzi
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schwarz (MI)
Sensenbrenner
Sessions
Shadegg
Shaw
Sherwood
Shimkus
Shuster
Simpson
Smith (NJ)
Smith (TX)
Sodrel
Souder
Stearns
Sullivan
Sweeney
Tancredo
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—11

Carson
Cleaver
Gillmor
Harris
Jones (OH)
McCrery
Meeks (NY)
Millender-McDonald
Napolitano
Reynolds
Ryan (OH)

□ 1845

Messrs. LATOURETTE, NEUGEBAUER, and WALDEN of Oregon, Mrs. MUSGRAVE, and Messrs. FITZPATRICK of Pennsylvania, PETRI, and OTTER changed their vote from ''aye'' to ''no.''

Messrs. SPRATT, POMEROY and SHAYS changed their vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT NO. 2 OFFERED BY MS. VELÁZQUEZ

The Acting CHAIRMAN (Mr. BASS). The pending business is the demand for a recorded vote on the amendment offered by the gentlewoman from New York (Ms. VELÁZQUEZ) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The Acting CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The Acting CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 202, noes 221, not voting 10, as follows:

[Roll No. 45]

AYES—202

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldwin
Barrow
Bean
Beauprez
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boren
Boswell
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Brown-Waite, Ginny
Butterfield
Capps
Capuano
Cardin
Cardoza
Carnahan
Case
Chandler
Clay
Clyburn
Conyers
Cooper
Costa
Costello
Cramer
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Doyle
Edwards
Emanuel
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Fossella
Frank (MA)
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Harman
Hastings (FL)
Herseth
Higgins
Hinchey
Hinojosa
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (IL)
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
Kucinich
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren, Zoe
Lowey
Lynch
Maloney
Markey
Marshall
Matheson
McCarthy
McCollum (MN)
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Melancon
Menendez
Michaud
Miller (NC)
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murtha
Nadler
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Paul
Payne
Pearce
Pelosi
Pomeroy
Price (NC)
Rahall
Rangel
Renzi
Reyes
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Schakowsky
Schiff
Schwartz (PA)
Scott (GA)
Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Strickland
Stupak
Sweeney
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOES—221

Aderholt
Akin
Alexander
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boustany
Bradley (NH)
Brady (TX)
Brown (SC)
Burgess
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Carter
Castle
Chabot
Chocola
Coble
Cole (OK)
Conaway
Cox
Crenshaw
Cubin
Culberson
Cunningham
Davis (KY)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeFazio
DeLay
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Drake
Dreier
Duncan
Ehlers
Emerson
English (PA)
Everett
Feeney
Ferguson
Fitzpatrick (PA)
Flake
Foley
Forbes
Fortenberry
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Green (WI)
Gutknecht
Hall
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoekstra
Hostettler
Hulshof
Hunter
Hyde
Inglis (SC)
Issa
Istook
Jenkins
Jindal
Johnson (CT)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kuhl (NY)
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas
Lungren, Daniel E.
Mack
Manzullo
Marchant
McCaul (TX)
McCotter
McHenry
McHugh
McKeon
McMorris
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Otter
Oxley
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Porter
Portman

Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schwarz (MI)
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (NJ)
Smith (TX)
Sodrel
Souder
Stearns
Sullivan
Tancredo
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—10

Carson
Cleaver
Gillmor
Harris
Jones (OH)
McCrery
Meeks (NY)
Millender-McDonald
Napolitano
Reynolds

ANNOUNCEMENT BY THE ACTING CHAIRMAN

The Acting CHAIRMAN (during the vote) (Mr. BASS). Members are advised that 2 minutes remain in this vote.

□ 1853

Mr. SHAYS changed his vote from ''aye'' to ''no.''

Mr. FOSSELLA changed his vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT NO. 3 OFFERED BY MR. SCOTT OF VIRGINIA

The Acting CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Virginia (Mr. SCOTT) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The Acting CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The Acting CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 186, noes 239, not voting 8, as follows:

[Roll No. 46]

AYES—186

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldwin
Bean
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boren
Boswell
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Butterfield
Capps
Capuano
Cardin
Cardoza
Carnahan
Case
Clay
Clyburn
Conyers
Cooper
Costa
Costello
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Doyle
Edwards
Emanuel
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank (MA)
Gonzalez
Green, Al
Green, Gene
Grijalva
Gutierrez
Harman
Hastings (FL)
Higgins
Hinchey
Hinojosa
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
Kirk
Kucinich
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lofgren, Zoe
Lowey
Lynch
Maloney
Markey
Matheson
McCarthy
McCollum (MN)
McDermott
McGovern
McKinney
McNulty
Meehan
Meek (FL)
Melancon
Menendez
Michaud
Miller (NC)
Miller, George
Moore (KS)
Moore (WI)
Moran (VA)
Murtha
Nadler
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Pomeroy
Price (NC)
Rangel
Reyes
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Schakowsky
Schiff
Schwartz (PA)
Scott (GA)
Scott (VA)
Serrano
Shays
Sherman
Simmons
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Strickland
Stupak
Tanner
Tauscher
Thompson (CA)
Thompson (MS)
Tierney
Towns
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOES—239

Aderholt
Akin
Alexander
Bachus
Baker
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boustany
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Carter
Castle
Chabot
Chandler
Chocola
Coble
Cole (OK)
Conaway
Cox
Cramer
Crenshaw
Cubin
Culberson
Cunningham
Davis (KY)
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Drake
Dreier
Duncan
Ehlers
Emerson
English (PA)
Everett
Feeney
Ferguson
Fitzpatrick (PA)
Flake
Foley
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gingrey
Gohmert
Goode
Goodlatte
Gordon
Granger
Graves
Green (WI)
Gutknecht
Hall
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Hobson
Hoekstra
Hostettler
Hulshof
Hunter
Hyde
Inglis (SC)
Issa
Istook
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kline
Knollenberg
Kolbe
Kuhl (NY)
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lucas
Lungren, Daniel E.
Mack
Manzullo
Marchant
Marshall
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McIntyre
McKeon
McMorris
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Mollohan
Moran (KS)
Murphy
Musgrave
Myrick
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Otter
Oxley
Paul
Pearce
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Porter
Portman
Price (GA)
Pryce (OH)
Putnam
Radanovich
Rahall
Ramstad
Regula
Rehberg
Reichert
Renzi
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schwarz (MI)
Sensenbrenner
Sessions
Shadegg
Shaw
Sherwood
Shimkus
Shuster
Simpson
Skelton
Smith (NJ)
Smith (TX)
Sodrel
Souder
Stearns
Sullivan
Sweeney
Tancredo
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—8

Carson
Cleaver
Gillmor
Harris
Meeks (NY)
Millender-McDonald
Napolitano
Reynolds

□ 1903

Mr. BASS changed his vote from ''aye'' to ''no.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

The Acting CHAIRMAN (Mr. BASS). There being no further amendments, the question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The Acting CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. HASTINGS of Washington) having assumed the chair, Mr. BASS, the Acting Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 27) to enhance the workforce investment system of the Nation by strengthening one-stop career centers, providing for more effective governance arrangements, promoting access to a more comprehensive array of employment, training, and related services, establishing a targeted approach to serving youth, and improving performance accountability, and for other purposes, pursuant to House Resolution 126, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. KILDEE

Mr. KILDEE. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. KILDEE. Yes, I am, Mr. Speaker, in its current form.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. Kildee of Michigan moves to recommit the bill H.R. 27 to the Committee on Education and the Workforce with instructions to report the same back to the House forthwith with the following amendment:

After section 127, insert the following new section (and redesignate succeeding sections and conform the table of contents accordingly):

SEC. 128. ASSISTANCE TO VETERANS RETURNING FROM ACTIVE DUTY AND WORKERS WHO LOSE JOBS DUE TO OFFSHORING.

The Workforce Investment Act of 1998 is amended by adding after section 174 the following new section:

''SEC. 175. ASSISTANCE TO VETERANS RETURNING FROM ACTIVE DUTY AND WORKERS WHO LOSE JOBS DUE TO OFFSHORING.

''(a) INCOME SUPPORT, JOB TRAINING, JOB SEARCH ASSISTANCE, RELOCATION ALLOWANCE.—

''(1) IN GENERAL.—From the amount authorized under subsection (d), the Secretary shall make grants to States to provide income support, job training assistance, job search assistance, and relocation allowances to—

''(A) individuals who have lost employment due to offshoring; and

''(B) a person who is unemployed and, while on active duty in the Armed Forces, was deployed overseas in support of Operation Enduring Freedom or Operation Iraqi Freedom.

''(2) VETERAN ELIGIBILITY FOR JOB TRAINING.—With respect to job training assistance under this subsection, a person who served on active duty in the Armed Forces and was deployed overseas in support of Operation Enduring Freedom or Operation Iraqi Freedom shall be eligible regardless of whether such person is employed.

''(b) ASSISTANCE.—The benefits provided under this section for such individuals shall be the same as the benefits for such individuals under the Trade Adjustment Assistance program (under subchapter II of the Trade Act of 1974 (19 U.S.C. 2271 et seq.)).

''(c) OFFSHORING OF JOBS.—For purposes of this section, the term 'offshoring' means any action taken by an employer the effect of which is to create, shift, or transfer work or facilities outside the United States.

''(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated such sums as may be necessary to carry out this section.''.

Mr. KILDEE (during the reading). Mr. Speaker, I ask unanimous consent that the motion to recommit be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER pro tempore. The gentleman from Michigan is recognized for 5 minutes.

Mr. KILDEE. Mr. Speaker, my motion to recommit is simple. It provides extra assistance to workers whose jobs have been outsourced and veterans who are returning from conflicts overseas.

Mr. Speaker, half a million jobs have been outsourced over the past 3 years. An additional 830,000 jobs are expected to be outsourced in 2005 and 3.3 million by 2015. Up to 6 million jobs may be sent overseas in the next 10 years. These statistics represent lost jobs for American workers. Fewer jobs means that American workers will struggle to provide for their families and fall further into debt. The administration has turned a deaf ear to the needs of these workers. American workers who lose their jobs due to outsourcing need significant assistance and resources to obtain new employment. This motion would provide this help.

Likewise, many veterans returning from the conflicts in Afghanistan and Iraq may need skills and training to obtain or retain their jobs. Reservists who have spent a year or more overseas have put their careers on hold to serve our country. This amendment would provide the help they need.

Mr. Speaker, I urge Members who want to help our veterans and those who have lost their jobs to outsourcing to support this motion.

Mr. Speaker, I yield 1½ minutes to the gentlewoman from South Dakota (Ms. HERSETH).

Ms. HERSETH. Mr. Speaker, I would like to thank the gentleman from Michigan for offering this motion to recommit.

Mr. Speaker, we have asked literally hundreds of thousands of our best and brightest, many of them National Guard and Reservists from South Dakota, to serve overseas in Operations Iraqi Freedom and Enduring Freedom. We owe these brave men and women and their families a great deal for their sacrifice during these difficult times. What we owe them is the opportunity to make good on the American Dream that they have fought to defend.

This motion would create an economic transition benefit, similar to Trade Adjustment Act assistance, for service members returning from Iraq and Afghanistan who find themselves without employment. Additionally, too many of the brave men and women who are serving in the National Guard and Reserve forces have returned home to find their jobs gone and their families struggling to make ends meet. While our military personnel are risking their lives in Iraq and Afghanistan, they should not be worrying if their jobs will be there for them when they return home or what they will do if they are not.

This motion to recommit would provide unemployed veterans of Iraq and Afghanistan with income support and intensive employment training and job relocation assistance so that they can successfully transition back into civilian life.

I ask my colleagues to support this motion to recommit. Our returning servicemembers from Iraq and Afghanistan deserve no less.

Mr. KILDEE. Mr. Speaker, I yield 1½ minutes to the gentlewoman from Connecticut (Ms. DELAURO).

Ms. DELAURO. Mr. Speaker, the outsourcing of good-paying American jobs to other countries is a crisis that touches every community in the United States. Up to half a million jobs have been outsourced over the past 3 years to countries like China, India, and Mexico. This at a time when there are 8 million Americans out of work.

Americans now understand that outsourcing negatively impacts every segment of our economy. Not only have 2.7 million jobs been lost in our once-vibrant manufacturing sector since the beginning of this administration but white collar jobs are being offshored as well. According to one report, 181,000 computer jobs will be moved offshore by the end of 2005. Last year, State and local governments outsourced $10 billion of public projects.

What we are witnessing today is a full-scale erosion of the American workforce, with millions seeking skills to improve their current employment situation. This bill undermines our job training system and our economy alike. This motion seeks to provide assistance to veterans, provide workers who lost their jobs to outsourcing with job training assistance, allowances to relocate to where they can find work and other forms of income support. This bill destroys the functioning elements of our job training system. It does not, quote, improve our delivery of these vital services for unemployed Americans.

I urge my colleagues to support this motion to recommit.

Mr. KILDEE. Mr. Speaker, I urge support for this motion which will address a very urgent problem.

Mr. Speaker, I yield back the balance of my time.

Mr. BOEHNER. Mr. Speaker, I rise in opposition to the motion to recommit.

The SPEAKER pro tempore. The gentleman from Ohio is recognized for 5 minutes.

Mr. BOEHNER. Mr. Speaker, let us tell the truth about what has happened in job creation in America. Over the last 17 months, 2.7 million new jobs have been created in America. Our economy is strong and our economy is getting stronger. If we look at the underlying bill that we have before us, veterans have a preference to services above all others.

What the gentleman from Michigan proposes here is a brand new program similar to a trade adjustment program

that provides up to 2 years of unemployment-type benefits and provides unlimited access to training. But the fact is that unemployed workers have access today, people coming back from Iraq who are unemployed have access to services, and those who may have their jobs lost through outsourcing have, in fact, access to services.

But what also happens under the gentleman's amendment is that they get a preference in this bill. The gentleman creates a new preference here above other types of people who may have lost their jobs. The underlying bill, in fact, will provide more services to more unemployed workers and workers who want to increase their skills who may not be unemployed.

But when we look at this, this is a new program. This is an authorization. There is no appropriation. We all know it will probably take 2 to 5 years for this type of program to be implemented. The fact is I think it is a cruel hoax on those who may be unemployed, who may fall into one of these categories to think that they are going to be eligible for unemployment-type assistance or be eligible for unlimited training when, in fact, there is no appropriation and the fact is the program will take years to implement.

I urge my colleagues to vote against the motion to recommit and support the underlying bill.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. KILDEE. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. Pursuant to clause 9 of rule XX, the Chair will reduce to 5 minutes the minimum time for any electronic vote on the question of passage.

The vote was taken by electronic device, and there were—ayes 197, noes 228, not voting 8, as follows:

[Roll No. 47]

AYES—197

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldwin
Barrow
Bean
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boren
Boswell
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Butterfield
Capps
Capuano
Cardin
Cardoza
Carnahan
Case
Chandler
Clay
Clyburn
Conyers
Cooper
Costa
Costello
Cramer
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Doyle
Edwards
Emanuel
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank (MA)
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Harman
Hastings (FL)
Herseth
Higgins
Hinchey
Hinojosa
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
Kucinich
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren, Zoe
Lowey
Lynch
Maloney
Markey
Marshall
Matheson
McCarthy
McCollum (MN)
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Melancon
Menendez
Michaud
Miller (NC)
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murtha
Nadler
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Schakowsky
Schiff
Schwartz (PA)
Scott (GA)
Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOES—228

Aderholt
Akin
Alexander
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bono
Boozman
Boustany
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Carter
Castle
Chabot
Chocola
Coble
Cole (OK)
Conaway
Cox
Crenshaw
Cubin
Culberson
Cunningham
Davis (KY)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Drake
Dreier
Duncan
Ehlers
Emerson
English (PA)
Everett
Feeney
Ferguson
Fitzpatrick (PA)
Flake
Foley
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Green (WI)
Gutknecht
Hall
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoekstra
Hostettler
Hulshof
Hunter
Hyde
Inglis (SC)
Issa
Istook
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kuhl (NY)
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas
Lungren, Daniel E.
Mack
Manzullo
Marchant
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McKeon
McMorris
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Otter
Oxley
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Porter
Portman
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schwarz (MI)
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (NJ)
Smith (TX)
Sodrel
Souder
Stearns
Sullivan
Sweeney
Tancredo
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—8

Bonner
Carson
Cleaver
Gillmor
Harris
Meeks (NY)
Millender-McDonald
Napolitano

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. HASTINGS of Washington) (during the vote). Members are advised 2 minutes remain in this vote.

□ 1933

Mr. GARRETT of New Jersey changed his vote from ''aye'' to ''no.''

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. KILDEE. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 224, noes 200, not voting 9, as follows:

[Roll No. 48]

AYES—224

Aderholt
Akin
Alexander
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bono
Boozman
Boustany
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Carter
Castle
Chabot
Chocola
Coble
Cole (OK)
Conaway
Cox
Cramer
Crenshaw
Cubin
Culberson
Cunningham
Davis (KY)
Davis, Jo Ann
Davis, Tom
Deal (GA)

DeLay
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Drake
Dreier
Ehlers
Emerson
English (PA)
Everett
Feeney
Ferguson
Fitzpatrick (PA)
Foley
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Green (WI)
Gutknecht
Hall
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hobson
Hoekstra
Hulshof
Hunter
Hyde
Inglis (SC)
Issa
Istook
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kuhl (NY)
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas
Lungren, Daniel E.
Mack
Manzullo
Marchant
Marshall
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McKeon
McMorris
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Otter
Oxley
Pearce
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Porter
Portman
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schwarz (MI)
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (NJ)
Smith (TX)
Sodrel
Souder
Stearns
Sullivan
Sweeney
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walden (OR)
Walsh
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOES—200

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldwin
Barrow
Bean
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boren
Boswell
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Butterfield
Capps
Capuano
Cardin
Cardoza
Carnahan
Case
Chandler
Clay
Clyburn
Conyers
Cooper
Costa
Costello
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Doyle
Duncan
Edwards
Emanuel
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Flake
Ford
Frank (MA)
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Harman
Hastings (FL)
Hensarling
Herseth
Higgins
Hinchey
Hinojosa
Holden
Holt
Honda
Hooley
Hostettler
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
Kucinich
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren, Zoe
Lowey
Lynch
Maloney
Markey
Matheson
McCarthy
McCollum (MN)
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Melancon
Menendez
Michaud
Miller (NC)
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murtha
Nadler
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Paul
Payne
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Schakowsky
Schiff
Schwartz (PA)
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sherman
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Strickland
Stupak
Tancredo
Tanner
Tauscher
Thompson (CA)
Thompson (MS)
Tierney
Towns
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Wamp
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOT VOTING—9

Bonner
Carson
Cleaver
Gillmor
Harris
Meeks (NY)
Millender-McDonald
Napolitano
Pelosi

□ 1942

Mr. ROYCE changed his vote from ''no'' to ''aye.''

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

CONTINUATION OF NATIONAL EMERGENCY BLOCKING PROPERTY OF PERSONS UNDERMINING DEMOCRATIC PROCESSES OR INSTITUTIONS IN ZIMBABWE—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 109–12)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on International Relations and ordered to be printed:

To the Congress of the United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the *Federal Register* and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent to the *Federal Register* for publication the enclosed notice stating that the national emergency blocking the property of persons undermining democratic processes or institutions in Zimbabwe is to continue in effect beyond March 6, 2005. The most recent notice continuing this emergency was published in the *Federal Register* on March 5, 2004 (69 FR 10313).

The crisis constituted by the actions and policies of certain members of the Government of Zimbabwe and other persons to undermine Zimbabwe's democratic processes or institutions has not been resolved. These actions and policies pose a continuing unusual and extraordinary threat to the foreign policy of the United States. For these reasons, I have determined that it is necessary to continue the national emergency blocking the property of persons undermining democratic processes or institutions in Zimbabwe and to maintain in force the sanctions to respond to this threat.

GEORGE W. BUSH.
THE WHITE HOUSE, *March 2, 2005.*

UNITED STATES ASSISTANCE FOR INTERDICTION OF AIRCRAFT ENGAGED IN ILLICIT DRUG TRAFFICKING—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 109–13)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on International Relations and ordered to be printed:

To the Congress of the United States:

Consistent with the authorities relating to official immunity in the interdiction of aircraft engaged in illicit drug trafficking (Public Law 107–108, 22 U.S.C. 2291–4), and in order to keep the Congress fully informed, I am providing a report prepared by my Administration. This report includes matters relating to the interdiction of aircraft engaged in illicit drug trafficking.

GEORGE W. BUSH
THE WHITE HOUSE, *March 2, 2005.*

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 2005, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

WHAT IT MEANS TO SUPPORT AMERICA'S TROOPS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. WOOLSEY) is recognized for 5 minutes.

Ms. WOOLSEY. Mr. Speaker, what does it mean to support America's troops? Does it mean placing a yellow ribbon on the bumper of your car? Does it mean blindly supporting the wars in which they fight? Or does it mean something else entirely?

I believe that supporting our Nation's brave soldiers means honoring, above all else, the promise to never place them in harm's way unless the safety and security of our Nation depends on it. It also means that we properly equip them in battle and then fully care for them once they are home.

□ 1945

Sadly, the war in Iraq has violated all three of the ways that we must support our troops. The very premise of this war violates the trust that our military places in the government. It actually violates the trusts that we will only vote to go to war under circumstances of dire national emergency when our fate as a Nation depends on it.

The war in Iraq was never about a national emergency or America's security. It was about the Bush administration's callous manipulation of the 9/11 tragedy. In the end, it was about promoting the administration's own political causes using the tactic of ridding Iraq of weapons of mass destruction and now, installing their version of a democracy in the Middle East.

The sad irony is that Iraq is now less stable than ever before. And it has never posed a bigger threat to our security here at home. Iraq has become the breeding ground for terrorists of all nationalities whose most common trait is their hatred of the United States.

This war was fought for the worst reasons, not for the security of our country, but to promote the Bush administration's political goals. The fact that the Bush administration has the audacity to label anyone who does not support this false war as being unsupportive of the troops is nothing short of hypocritical.

Mr. Speaker, I hope that the President does not confuse my opposition to this war for a lack of support for those who fight it. In fact, the Bush administration and his team at the Pentagon have demonstrated a potent lack of support for the troops through poor planning, poor planning for the long military operation of Iraq. And by neglecting to provide every soldier with the life-saving body armor needed to survive military combat.

Hundreds of lives could have been saved if our troops had not been left as sitting ducks on the battlefield without the body armor, without the plated armor for Humvees and without what would have saved their lives during battle.

Finally, the Bush administration and the Republicans in Congress have clearly neglected to support the soldiers once they come home. Veterans health care continues to suffer under this administration's reckless fiscal policies, and America has not kept its promise to properly provide for the health care of our soldiers once they have returned from the war.

In fact, one of the champions of veterans in the Republican party, the gentleman from New Jersey (Mr. SMITH) was stripped of his Veterans Affairs Committee chairmanship precisely because he advocated for full support of our veterans. And then, after losing his chairmanship, he was removed from the committee.

What kind of message does that send to our troops currently stationed in Iraq and Afghanistan?

If they think their lives are tough on the battlefield, just wait till they come back home and wait till they need services for either physical or mental health or whatever else they are going to need from us when they return.

Mr. Speaker, I introduced H. Con. Res. 35 with the support of 28 of my colleagues in the House. This legislation will help secure Iraq by withdrawing our troops, which will ensure that America's role in Iraq actually does not make our troops sitting ducks. H. Con. Res. 35 is part of a larger national security strategy that I call SMART security. SMART is a sensible multilateral American response to terrorism. And it will ensure America's security by relying on smarter policies, policies that encourage a commitment to diplomacy, a committee to international cooperation and a commitment to nuclear security. Smart security will actually make our country safer.

ORDER OF BUSINESS

Mr. FORTUÑO. Mr. Speaker, I ask unanimous consent to take my special order at this time.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Puerto Rico?

There was no objection.

88TH ANNIVERSARY OF U.S. CITIZENSHIP FOR PUERTO RICANS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Puerto Rico (Mr. FORTUÑO) is recognized for 5 minutes.

Mr. FORTUÑO. Mr. Speaker, at the end of the Spanish American War in 1898, Puerto Rico was ceded to the United States and became a territory under the Territorial Clause of the U.S. Constitution. It was not until 1917, by virtue of the passage of the Jones Act, that people born in Puerto Rico were granted the privilege of becoming citizens of this great Nation.

On March 2, 1917, exactly 88 years ago, Puerto Ricans became U.S. citizens. We value our citizenship dearly, and over the years, Puerto Ricans have honored their citizenship by making major contributions to our great Nation. We have distinguished ourselves in the arts, the sciences and sports. But most important of all, courageous Puerto Rican men and women have served their Nation proudly defending our valued principles of freedom around the world.

Puerto Ricans have served with honor and distinction in the Armed Forces of the United States in all wars and conflicts since 1917 to this day, where 3,400 of our men and women are active in our Nation's war on terrorism, including 825 soldiers currently serving in Iraq.

Four Puerto Ricans have received the Congressional Medal of Honor, the highest award given for valor on the battlefield. Today I want to again honor these four Puerto Rican heroes: Private First Class Fernando Garcia, who fought in the Korean War; Private First Class Carlos Lozada, who fought in the Vietnam War; Captain Euripides Rubio, who fought in the Vietnam War; and Specialist Hector Santiago-Colon, who also fought in the Vietnam War.

18,000 Puerto Ricans served in World War I. During World War II, 65,034 Puerto Ricans, including 200 Puerto Rican women, served in the Armed Forces. More than 61,000 Puerto Ricans served in the Korean War during which the 65th Infantry Regiment, comprised mostly of Puerto Rican soldiers, distinguished themselves for bravery.

Actually, I would like to quote tonight General Douglas MacArthur who said in Tokyo on February 12, 1951, and I quote, ''The Puerto Ricans forming the ranks of the gallant 65th Infantry on the battlefields of Korea are writing a brilliant record of achievement in battle, and I am proud indeed to have them in this command. I wish that we may have many more like them,'' and I close the quote.

More than 48,000 Puerto Ricans served in Vietnam. Of these, over 430 were killed and over 3,000 were wounded.

Close to 2,600 Puerto Rico National Guard volunteers and U.S. Army Reserve soldiers were mobilized for Desert Storm.

Puerto Ricans have always responded to the call of defending our Nation and have had no qualms in shedding their blood on the battlefields to defend the cause of liberty.

On February 15 of this year, I visited Private First Class Emanuel Melendez-Diaz from Comerio, Puerto Rico, who is in intensive care in Walter Reed Army Medical Center from injuries suffered in Iraq as part of our global war against terrorism. I was deeply moved by the intense pride his parents show in their son and in the sacrifice he made for our Nation. And yet, I could not help but think that Private First Class Emanuel Melendez-Diaz had not been able to vote for his Commander-in-Chief because he is Puerto Rican. That is morally wrong.

Today we commemorate the 88th anniversary of Congress granting US citizenship to the people of Puerto Rico.

Yet we still cannot vote for our President, cannot vote in this Chamber, cannot vote on legislation that affects us. Congress has an unfinished agenda with Puerto Rico. The 4 million U.S. citizens that live in Puerto Rico should finally be given the opportunity to make an educated, fair and democratic choice regarding their final status preference. After 106 years of territorial status, and 88 years of being U.S. citizens, we are tired of waiting. The people of Puerto Rico deserve better. We have earned our right to be heard.

TEXAS INDEPENDENCE DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GENE GREEN) is recognized for 5 minutes.

Mr. GENE GREEN of Texas. Mr. Speaker, today, March 2 marks Texas Independence Day, and this morning at the Texas State Cemetery in Austin, Texas, Texans paid tribute with a musket volley salute in full costume to the Texas veterans who are buried there.

Texas cities and towns across the State are holding many important Memorial events in honor of the fact that 169 years ago today, the Texas Declaration of Independence was ratified by the Constitutional Convention of 1836 at Washington-on-the-Brazos.

Less than 100 years after American patriots declared independence from the tyrannical British Empire's military domination, Texas declared its independence from Mexico. After July 4, 1776, democratic government became a birthright for the people of the new world, but one that we would have to fight for.

Like the American patriots driven to revolution by heavy-handed British intervention, Texas declared its independence after many years of living peacefully as part of the Mexican federal republic because Mexico became dominated by military dictatorships.

The seeds of Texas independence were sown in 1824, when a military dictatorship abolished the Mexican constitution.

In the words of the Texas declaration of independence, the Texas people's government have been forcibly changed without their consent from a restricted federative republic composed of sovereign states to a consolidated central military despotism.

The Texas Declaration of Independence also based the justification for revolution on the grounds that the government of Mexico had ceased to protect the lives and liberty and property of the people.

The military dictatorships that had unfortunately captured the Mexican government also did not provide for trial by jury, freedom of religion or public education.

Failure to provide these essential services violates the sacred contract between government and the people.

It is important to remember that the struggle for Texas independence was a political struggle, not an ethnic conflict. In fact, many Texas Hispanics consider themselves Tejanos and not Mexicanos.

Tejanos lived in Texas long before Mexico existed and they moved there for the same reasons Anglos later moved there, freedom to run their own affairs and a wild but productive landscape.

So we are inspired by so many Tejanos that joined the fight for independence when the Mexican government became an exploitive military regime, including Captain Juan Sequin, Lorenzo de Zavala, a future republic of Texas vice president.

When Texans and Tejanos protested the undemocratic changes to Mexico's government, they were thrown in jail and the Mexican Army marched to war on Texas to enforce the decrees of the military dictatorship at the point of a bayonet.

While future President Sam Houston and other delegates signed the Texas Declaration of Independence, Santa Anna's army was besieging the Texans and Tejanos at the Alamo in San Antonio.

The Alamo fell on the morning of March 6, 1836 when Lt. Colonel William Barrett Travis, Tennesseean congressman David Crockett and approximately 200 other Texan and Tejano defenders were killed in action a heroic sacrifice for Texan freedom. On March 27, this same Army massacred over 300 unarmed Texans at Goliad.

Fortunately, Texans and Tejanos achieved their independence several weeks later on April 21, 1836 when approximately 900 Texans and Tejanos of the Texas Army overpowered a much larger Mexican army in the surprise attack at the Battle of San Jacinto.

Texas Independence Day is important to all Americans because it is the event that show the brotherhood of freedom can be stronger than the brotherhood of ethnicity or nationality, as Tejanos proved at Gonzalez, Bexar, Goliad and the Alamo and along the banks of the San Jacinto River and the government of the republic of Texas.

People sometimes wonder what makes Texas and Texans so different and I believe part of that answer is the passion for freedom that gave us the first Texas Independence Day is still alive today. Something about being raised in Texas or even living there for an extended period of time makes Texans less willing to put up with the infringement on our rights, more willing to fight for them. I believe part of that passion comes from knowing Texas history.

Today we give thanks to the many Texans of all backgrounds that sacrificed for the Texas freedom we enjoy. God bless Texas and God bless America.

FREE TRADE AGREEMENTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. BROWN) is recognized for 5 minutes.

Mr. BROWN of Ohio. Mr. Speaker, 12 years ago I came to this house in January 1993 and during that year this Congress debated whether or not to pass the North American Free Trade Agreement. The promises made during NAFTA in 1993 from its supporters were it would create jobs in the U.S., it would raise living standards in Mexico by raising wages, it would encourage and enable Mexicans to buy more American products. It would increase our balance of trade with Canada and Mexico, positively. Those were the promises made by NAFTA.

We have heard those same promises when we passed the PNTR with China. We have heard those same promises on trade agreement after trade agreement. But look what has happened to our trade deficit in that period. Starting in 1992, the year I first ran for Congress our trade deficit was $38 billion. You can see it passes $100 billion in the early 1990s. Almost $200 billion in the mid 1990s. President Bush took office. Goes up to 400 billion, 450 billion, 500 billion. This year our trade deficit was $617 billion. That means that we are buying $617 billion more in products than we are selling. So, what is the President's response? The President's response is the Central American Free Trade Agreement. More of the same, followed he hopes by something called free trade area of the Americas. CAFTA and FTAA will double the population of NAFTA, Mexico, the U.S. and Canada and quadruple the number of low income workers.

□ 2000

They say that the definition of insanity is doing the same thing over and over and over again and expecting a different result. We are hearing the same promises about CAFTA, that it will raise living standards and raise wages in Central America, that it will create jobs in the United States, that we will export more and more to Central America, that it will reduce our trade deficit. It is the same old song.

It was the same song for NAFTA. It is the same song for NAFTA's dysfunctional cousin CAFTA, the Central American Free Trade Agreement. This President is going to come to Congress and again ask us to pass another free trade agreement that hemorrhages American jobs that costs us, especially manufacturing jobs.

My State under President Bush has lost hundreds of thousands of manufacturing jobs; this country has lost around 2 million manufacturing jobs in the 4 years that George Bush has been President; yet he continues to do the same thing, tax cuts for the wealthiest people in our country, trade agreements that hemorrhage jobs overseas.

Mr. Speaker, just look at the facts. Look at what has happened with our trade deficit. Again, it was $38 billion the year I ran for Congress in 1992. Today it is almost 20 times higher, $617 billion trade deficit. We had a trade surplus with Mexico in 1992. Today we have a $40 billion trade deficit with Mexico.

Again, Mr. Speaker, the President looks at these numbers and he says, let us do more of the same. Clearly our trade policy is not working. Clearly the President is taking the country in the wrong direction on trade. Every trade agreement this Congress has passed from President Bush has been signed by the President and then passed within Congress by about 60 days.

President Bush signed the Central American Free Trade Agreement on May 28. He has yet to try to push it through Congress because he knows the American people oppose the Central American Free Trade Agreement, and he knows the United States Congress opposes this Central American Free Trade Agreement.

Fully 90 percent of Democrats in the House of Representatives plan to vote against CAFTA because Democrats understand, and I hope enough of my Republican colleagues come along, understand that the Central American Free Trade Agreement is bad for our community. It is bad for our families. It is bad for our workers. It simply does not work for our country. It betrays American values of hard work, of being rewarded for hard work. It hurts the poor in both countries. It hurts working people in both countries. It clearly does not promote the right set of moral values for our Nation.

I ask my colleagues to oppose the Central American Free Trade Agreement. It is clear these trade agreements are not working for our country.

MARK ALAN WILSON, HERO OF SMITH COUNTY, TEXAS

The SPEAKER pro tempore (Mr. FORTENBERRY). Under a previous order of the House, the gentleman from Texas (Mr. GOHMERT) is recognized for 5 minutes.

Mr. GOHMERT. Mr. Speaker, last Thursday, February 24, 2005, in the city of Tyler, Texas, gun fire erupted outside the Smith County courthouse. An estranged and enraged ex-husband, irate over a domestic hearing, lay in wait outside the courthouse for his ex-wife and one of his sons who was 23. The courthouse was well secured inside while also having a metal detector inside its entrance. Such security measures probably prevented the soon-to-be murderer from carrying his rifle inside the courthouse and shooting not only his ex-wife and son, but also the many witnesses, jurors, parties and personnel who would have been inside, as had occurred in another courthouse some years ago and miles away.

As the ex-wife left the courthouse, the murderer opened fire hitting her and also her own son. Mark Wilson, a nearby Good Samaritan and hero, immediately without hesitation and without thought for his own safety went into action. He pulled his concealed weapon that he was lawfully carrying and accurately shot the murderer more than once. He could tell he was hitting the murderer, but what he did not know was that that murderer was wearing extensive body armor. That fact allowed the murderer to turn and fire fatal shots at our selfless hero Mark Wilson.

In the process of Mark's firing such accurate shots, he not only hurt the murderer, he also distracted him from the many innocent bystanders in the area.

When hearing the shorts being fired outside the courthouse, two deputies and a Tyler police detective responded by running to the source. Parenthetically, the Army teaches us that the only way to have a chance of surviving an ambush is to turn and run into the source of the ambush. As a trainee, sometimes we wondered if we would actually have the courage to do that when there were real bullets flying.

We do not have to wonder about what Mark and our courageous law enforcement officers at the Smith County courthouse would do when faced with a life-threatening attack. They respond and they respond with courage and clear thinking for the safety of others.

Mark Wilson's heroic actions disrupted the murderer's pattern and provided time for the protective law enforcement officers to respond. As Deputy Sherman Dollison attempted to intervene, he was also hit by the murderer and left for dead and he remains in critical condition at a local hospital.

Smith County and other friends thought mighty highly of Deputy Marlin Suel and Tyler police detective Clay Perrett. They are personal friends and they were both wounded in the ensuing exchange that sent the murderer into his car and fleeing the scene. He was chased by extremely responsive law enforcement as he continued to shoot during the chase. However, the murderer was killed before he could yet kill again.

There was an evil act of anger last Thursday, but there were heroes watching out, ready to act for the salvation of others. It is quite possible that Mark's actions prevented those in the area from becoming a trail of lifeless bodies in addition to saving the life of the murderer's own downed son.

According to the investigation, the rifle the murderer used was not automatic so he had to consciously pull the trigger over and over again to inflict the death and violence that he did.

Mark Wilson himself was able to apply for and receive his concealed handgun permit because the law allowing such was passed in Texas after a callous killer went into a cafeteria years ago and began firing randomly, hitting so many. Back at that time no civilians were there who were legally allowed to have a gun so the killer caused prolonged devastation. To receive a permit for carrying a concealed weapon in Texas, a person has to prove himself consummately law abiding. That described Mark. He was trained and he trained others in self-defensive weaponry. He was 52 years old. He had been a patriot who served all of us in the United States Navy. He was a community volunteer. He loved life to the maximum which included a deep abiding appreciation for Monty Python, all while he worked to make others' lives better in the process.

Yes, he knew how to make friends laugh. He had overcome tough times. He had been entrepreneurial, and he had worked to create good times for himself and others. He had many friends because of his community involvement and his very can-do attitude.

As a tribute to Mark and his courageous heroism, hundreds of people filled the downtown square in Smith County to commemorate his life, his times, and his goodness on Sunday, February 27.

As a member of the United States Navy, he had sworn to defend the Nation against all enemies foreign and domestic. Last Thursday he gave his life while once again defending against an enemy, this time domestic.

For many of us reflecting on Mark's death the words of Jesus of Nazareth capture Mark's spirit: ''Greater love hath no man than this; that a man lay down his life for his friend.''

Those words came from someone who knew and Mark Wilson's love is what was praised. He stepped up that love a notch by going and laying down his life for people he did not even know. This country, this institution need a memorializing of such a courageous hero as Mark Wilson. His loving parents and dear friends deserve to hear his praises sung once more for the record, and may the retelling of Mark's bravery bring them comfort, bring them hope, and to the hopeless who think there is no one out there who cares. Mark cared and I would be willing to bet his caring will be perpetuated into posterity for others that he has touched.

PROTECT SOCIAL SECURITY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. RANGEL) is recognized for 5 minutes.

Mr. RANGEL. Mr. Speaker, I am here because the President has challenged this body and the other to deal with the problem of Social Security. And while the President no longer considers it a crisis, obviously when it reaches

the point that you are spending more money than you are taking in, you do have a problem and you do have a challenge and we do have a responsibility.

So I think the President has changed the crisis which would occur according to the Congressional Budget Office out to 2052 and even then it remains a challenge and not really a crisis.

But we do not have a bill so we do not know specifically what the President would want to do. We do know that these types of problems you either have to cut the benefits, extend the age or raise the taxes; but the President has taken all of these things off the table and said we should deal with the question of privatization. I guess the more people in the district that looked at privatization and the more economists that studied it have caused the President to admit that privatization and private accounts and personal accounts has little or nothing to do with the question of solvency, which is basically what we are talking about.

We Democrats know how good this program has been for America. We know that it has been an insurance policy that most working people cannot afford. We know that in addition to the benefits that you get when you retire that we have survivor benefits, we have disability benefits, and we are prepared to take a look at anything as long as these benefits are not cut.

Now, the President would have us to believe that if you are over 55 your benefits would not be cut. To me, a guy from Harlem, it means that if you are under 55 you can depend on your benefits being cut. But still since we do not have a bill we really do not know exactly what we are fighting, but we do know what we want to protect.

It is too unfortunate that many minorities and women because of the inequities of the system, which we hope will be corrected, find themselves more dependent than the rest of the population. This is especially so when we do have a disparity between the life expectancies of men and women which means that for 3 or 4 years women sometimes have to go it alone and many sometimes their working spouses did not have pensions. And so it is abundantly clear that if you take a look at the women that sometimes have to totally survive with their families, Social Security gave them the base, gave them the independence, and gave them the will to move forward.

It is so hard for me who is so proud of having gone to school as a disabled veteran to talk about the G.I. Bill. What has been amazing is that even I had no idea how many people even in this body went to school under the Social Security Disability Act or under the benefits of Social Security. And it is something that you do not say, guess how I went to school, because it was unfortunate financial circumstances.

But now that they see that this program may be in jeopardy because just by changing the formula from a wage formula to a cost-of-living formula, Republicans and Democrats and impartial economists say that the benefits, and that is all of benefits, survivor, retirement, their disability, would be cut by at least 40 percent.

The President has attempted to polarize sometimes the young against the old by saying they are getting a bad deal, or the black males against the white males saying that we have a disparity. But one thing is clear: we cannot openly discuss this until the President fulfills his responsibility and at least brings to us what the heck he is talking about so we are not fighting against things that may never happen.

We know that Republicans are having a difficult time in defining how they would want to assist the President. But I am just saying until the day comes where minorities and women are really equal, this has been a cushion to provide some type of independence.

I close by saying that my beloved mother, who I lost several years ago, worked in a factory and received a small retirement pension check from the International Labor Garment Workers Union, but she also received her Social Security check.

□ 2015

And she would be there every month waiting for the mailman, who knew her, for her Social Security check. She felt so proud that she was independent; that she did not have to ask her children for anything.

Seeing that pride in her, I can see it in so many older women. And I hope that before the President makes this a crises, that he brings us a bill so we can work together on it.

TEXAS INDEPENDENCE DAY

The SPEAKER pro tempore (Mr. FORTENBERRY). Under a previous order of the House, the gentleman from Texas (Mr. POE) is recognized for 5 minutes.

Mr. POE. Mr. Speaker, I rise today to honor the unique history of the great State of Texas. Today, March 2, marks Texas Independence Day. On this day, 169 years ago, Texas declared its independence from Mexico and its dictator, Santa Anna, the 19th century Saddam Hussein.

In 1836, in the small farm village of Washington-on-the-Brazos, 54 Texians, as they called themselves in those days, gathered to do something bold and courageous: Sign the Texas Declaration of Independence and once and for all ''declare that the people of Texas do now constitute a free, sovereign, and independent republic.''

As these determined delegates met to declare independence, Santa Anna and 6,000 enemy troops were marching on an old beat-up Spanish mission that we now call the Alamo, where Texas defenders stood defiant, stood determined. They were led by a 27-year-old lawyer by the name of William Barrett Travis. The Alamo and its 186 Texans were all that stood between the invaders and the people of Texas. And behind the cold, dark, damp walls of that Alamo, Commander William Barrett Travis sent the following appeal to Texas requesting aide.

This appeal read in part: ''To all the people of Texas and Americans in the world, I am besieged by a thousand or more of the enemy under Santa Anna. I have sustained a continual bombardment and cannon fire for over 24 hours and have not lost a man. The enemy has demanded surrender at its discretion, otherwise the fort will be put to the sword. I have answered that demand with a cannon shot, and the flag still waves proudly over the walls. I shall never surrender or retreat. I call upon you in the name of liberty, patriotism, and everything dear to our character to come to our aid with all dispatch. If this call is neglected, I am determined to sustain myself for as long as possible and die like a soldier who never forgets what is due to his own honor and that of his country. Victory or death. William Barrett Travis, Commander of the Alamo.''

After 13 days of glory at the Alamo, Commander Travis and his men sacrificed their lives on the altar of freedom. Those lives lost would not be in vain. Their determination paid off. And because heroes like William Barrett Travis, Davy Crockett, and Jim Bowie held out for so long, Santa Anna's forces took such great losses they became battered, demoralized, and diminished. As Travis said, ''victory will cost them more dearly than defeat.''

General Sam Houston, in turn, had the time he needed to devise a strategy to rally other Texas volunteers to ultimately defeat Santa Anna at the Battle of San Jacinto on April 21, 1836. The war was over, and the Lone Star flag was visible all across the broad, bold, brazen plains of Texas.

The Alamo defenders were from every State in the United States and 13 foreign countries. They were black, brown, and white, ages 16 through 67, and they were all volunteers. They were mavericks, revolutionaries, farmers, shopkeepers, and freedom fighters. They came together to fight for something they believed in: Freedom.

Freedom has a cost. It always does. It always will. And as we pause to remember those who lost their lives so that Texas could be a free Nation, we cannot forget those Americans that are currently fighting in lands across the seas for the United States' continued freedom and liberty today.

Texas Independence Day is a day of pride and reflection in the Lone Star State. It is a day we remember to pay tribute to heroes like William Barrett

Travis, Jim Bowie, Davy Crockett, Jim Bonham, Sam Houston, and the rest of those volunteers who fought the evil tyrant and terrorist Santa Anna. It was an effort to make Texas free, and that effort was successful.

On this Texas Independence Day, let us not forget those brave men and women in our military that are fighting to preserve and uphold our freedom from a new world threat of terrorism.

Mr. Speaker, I hope that the Congress and the country will join me in celebrating this Texas Independence Day. In Colonel Travis' final letter and appeal for aid, he signed off with three words that I leave with you now: ''God and Texas.'' ''God and Texas.'' ''God and Texas.'' And the rest, as they say, is Texas history.

PRESIDENT BUSH'S SOCIAL SECURITY PRIVATIZATION PROPOSAL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. PALLONE) is recognized for 5 minutes.

Mr. PALLONE. Mr. Speaker, this Friday, President Bush plans to take his traveling White House to New Jersey in the hope of convincing New Jersey workers to support his Social Security privatization proposal. For 6 weeks, the President has been working to build support for his plan, but it has fallen flat with the American people and it will fall flat also in New Jersey.

Mr. Speaker, the American people simply do not believe the President wants to strengthen Social Security. President Bush keeps on talking about a crisis, but even he has admitted his own privatization plan does nothing to fix the problem Social Security faces 40 years from now.

The problem is that private accounts eliminate the guaranteed benefits of Social Security and leave benefits to the vagaries of the stock market. Since the money is taken out of the Social Security trust fund to pay for private accounts, the shortfall results in benefit cuts to Social Security recipients, and the Federal Government has to borrow more money and go further in debt to try to make up for the shortfall.

Last week, I held two Social Security town hall forums in different parts of the State. First, I talked with senior citizens in Smithville, just outside of Atlantic City, and next I visited with more than 70 college students in Brookdale, at Brookdale Community College in Monmouth County. Here too the forum was open to all members of the college's political science and history club. I would assume some of the participants were Republicans, but that does not really matter.

The bottom line is that as Members of Congress, Senators, and senior organizations hold forums around the country and explain the President's privatization plan, there is more and more opposition to it. While the President still seems to think his privatization plan is catching on, Congressional Republicans brave enough to have town hall forums heard an earful from supporters of the current Social Security System.

Mr. Speaker, let me just give some examples. From the February 23 edition of the Philadelphia Inquirer: ''At two stops, morning at Drexel University; afternoon at Widener University, the Pennsylvania Republican Senator SANTORUM encountered skepticism and hostility as he voiced his support for the White House plan to allow privatization of personal accounts using payroll taxes. He was heckled by protesters, called a liar, and told that his views were unconscionable. Those sentiments ranged across the spectrum.''

That is from the Philadelphia Inquirer. From the February 22 Washington Post: ''At every stop, Representative PAUL Ryan faced skeptics. Nancy McDonald, 66, who sells securities and insurance, complained in Darien that health care for the uninsured needs to be addressed before Social Security. 'Slow down! Slow down!' She scolded the lawmaker at one point.''

And finally, Mr. Speaker, I take a quote from the February 22 Savannah Morning News. ''At Armstrong Atlantic State University, the subject of Social Security caused a crowd of 200 to become rowdy. Questions were shouted out. The congressman,'' Congressman KINGSTON, ''was interrupted. And one of Congressman KINGSTON's assistants was booed when she announced an end to the hour-long discussion.''

These are just examples. In meeting after meeting Republicans got a chilly reception to the President's Social Security plan. Maybe that is why we heard today that Senate majority leader BILL FRIST thinks the Senate may not be able to take up the President's Social Security privatization plan until next year.

Mr. Speaker, many of my constituents are concerned about the President's plan. Unfortunately, they will not have the opportunity to voice those concerns to the President this Friday morning in Westfield, New Jersey. But we are going to be heard anyway. I have chartered a bus, and I am taking several dozen of my constituents to join people from all over New Jersey at a rally in support of truly strengthening Social Security.

We are going to go with the bus to Westfield, New Jersey, where the President is going to be, and maybe the President will send some of his staffers over so they can really hear from us how their plan is being received outside the White House. It is not being received well, because Americans are finally waking up to the fact that the President's privatization plan is bad for them, bad for Social Security, and bad for America.

TRIBUTE TO MS. CLARA JENKINS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia (Mr. GINGREY) is recognized for 5 minutes.

Mr. GINGREY. Mr. Speaker, I rise today in honor of an extraordinary member of my community, Clara Jenkins. In the 1950s, Clara helped advance the Civil Rights movement in Georgia by breaking down color barriers at a local hospital.

On August 20, 1951, Clara was hired as the first black nurse at Kennestone Hospital in Cobb County. Now, 1951 was not an easy time to be a black nurse among all-white colleagues. The Brown v. Board of Education ruling, that mandated separate but equal was inherently unequal, was still 3 years away. In 1951, Kennestone Hospital was segregated by floor and ward. Black patients and white patients received their care separately and in unequal surroundings.

But Clara did not let segregation deter her goal of providing care for the sick and the needy. Through her determination and talent, she proved to her colleagues that skill, not skin color, was what mattered most.

Despite having earned a nursing degree right here in Washington, D.C., Clara was not initially allowed to work with white patients. However, over time, doctors and nurses noticed her skill, especially her ability to insert IVs into patients with thin or hard-to-find veins. Clara said her work on parents with darker skin made her adept at finding veins by touch, not sight, a skill the other nurses lacked. Increasingly, white doctors and nurses began asking for Clara's help.

After the 1954 Brown versus Board ruling desegregated Kennestone Hospital, Clara was assigned to several special hospital units. She was asked to head up Kennestone's very first IV team, and later became the only black nurse on the hospital's first coronary team. These were amazing feats for a woman who only a few years earlier had not been allowed to even care for white patients.

As a physician, I had the privilege of working with Clara at Kennestone Hospital. And let me tell you, she is just as respected and beloved now as she was then. In fact, she was one of my favorite nurses. And working with her on the floor, and later when she was a supervisor, always gave me confidence in her ability, her compassion, and her leadership.

I am inspired by Clara Jenkins' ability to prove herself in the face of segregation and discrimination. Clara had a sense of determination and courage that should serve as an inspiration for us all. By asking others to judge her

based on skill, not race, she helped break down color barriers for black professionals in Cobb County.

Clara also opened doors for other black nurses. She was once offered a position as head pediatric nurse at Kennestone. But when she turned down the job, another black nurse was selected to head that unit. She brought a greater equality to our hospital.

Clara Jenkins is a skilled nurse and an important member of the Cobb community. Mr. Speaker, I ask that you join me in honoring her legacy.

EXCHANGE OF SPECIAL ORDER TIME

Ms. KILPATRICK of Michigan. Mr. Speaker, I ask unanimous consent to take the time of the gentleman from Illinois (Mr. DAVIS).

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Michigan?

There was no objection.

PRESIDENT'S PROPOSAL FOR PRIVATIZATION OF SOCIAL SECURITY

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Michigan (Ms. KILPATRICK) is recognized for 5 minutes.

Ms. KILPATRICK of Michigan. Mr. Speaker, March is Women's History Month, and we are proud to celebrate the contributions that women have made to American society. As mothers, as caregivers, as teachers, as providers, we honor the women in America this month of March.

While home last week, I had an opportunity to hold two town hall meetings. My first meeting was in Wyandotte, Lincoln Park, River Rouge, and Ecorse communities, where we had hundreds of people who came out to hear about the Social Security proposals. My first point to them was that we have no bill. What we are hearing are discussion points, and right now we have no legislation that has come to the House or the Senate. What we are hearing are proposals being made by the President. Mr. Speaker, that calmed a lot of people down, many of whom were women.

As we went on to discuss the problem of Social Security, I advised them that the Social Security trustees have said now that the trust fund is good until the year 2042 at least.

□ 2030

I also told them that per the Congressional Budget Office, the Social Security fund is good until at least 2052, so to calm down, make sure you are okay and do not send anyone the $1 or the $2 that they ask you to save your Social Security. Your Social Security is good.

At our town hall meetings, first in the communities that I mentioned, and then moving on to Detroit, hundreds of citizens, many women, because 24 million women in America right now receive Social Security. Of that number, 7.5 million women disabled receive Social Security. And over 2.7 million children under 18, many of them receive Social Security, and many 18 and under are women. So when we talk about the Social Security issue in our town hall meetings, which were very successful, not combative, giving information, using some of the professors at Wayne State University, such as Professor Dankowski, a professor of gerontology and the aged at the university, we exchanged information.

What my constituents found out at our town hall meetings was that more than 85 percent of Social Security funds that come into Social Security go right back out to beneficiaries. Over 85 percent, and that 14-plus percent is set aside for the trust fund. If we set up private accounts as being proposed by the President and take money out of Social Security, then those people who are current beneficiaries who have paid into the system will have their benefits cut, or we will have to borrow money to make that up.

At a time when we are in deficit spending in this country, it is not the time to borrow. As we discussed Social Security and what is happening with it, good until the year 2042 if you use the Social Security trustees' projections, or 2052 if we use the Congressional Budget Office, we calmed them down and were able to exchange information.

Social Security is the most successful program this country has seen since 1935 when President Roosevelt signed the bill. In 1936, payroll deductions began to be made, and in 1940 the first checks went out to beneficiaries who had been paying into the system. As we know now, many disabled, widowers, and survivors also use their Social Security.

Mr. Speaker, town hall meetings, we have to get out into America. We found that is the best way of communicating to give them the facts so they have the information they need. Without Social Security, women in particular would be living in poverty.

Let us not throw out a good program. Yes, it needs fixing. As a Member who spoke earlier said, there are only three or four options. Either we raise the age, raise the deduction, which is if you make up to $90,000, your Social Security FICA comes out. If you make over $90,000, you do not pay any. I am not advocating that at this point, but that is one of the options, raise the age, increase the limit from which we make the payroll deductions, or cut benefits.

There are not a lot of options, but we have time to do what is right for American citizens. Social Security is a good program. It was never intended to be the end all. It was a tripod: Social Security, pensions, and if you were able to save, then those three sides of the triangle would give Americans a comfortable life in their retirement.

My constituents say do not mess with our Social Security. They want it, they have paid into it, and they believe they are entitled to it. As we continue our discussion, let us remember it is the people of America who we serve who we represent and who have paid in. Keep Social Security sound. Let us tweak it and not throw it out.

HECKLING IS NOT A SOLUTION

The SPEAKER pro tempore (Mr. FORTENBERRY). Under a previous order of the House, the gentleman from Arizona (Mr. FLAKE) is recognized for 5 minutes.

Mr. FLAKE. Mr. Speaker, it has been an interesting experience to be here and listen to the debate tonight on Social Security. I found it interesting in particular to listen to the gentleman from New Jersey read accounts from town hall meetings where Republicans have been attempting to explain the problems that we are facing with Social Security and how many groups, moveon.org, AARP, and others have come to disrupt those meetings.

I do not know if liberals or the Democrats are proud of that, that their supporters are going in to heckle and boo. It seems they are. What does that contribute to the debate? Not much in my opinion. There is a saying that you are entitled to your own opinions, but not to your own facts.

If we look at the facts on Social Security, there are the following: when Social Security started in the 1930s, there were some 42 workers per retiree. In the 1950s, that went to 16 workers per retiree. Today we are down to three workers per retiree. By the time I retire, there will be probably two workers per retiree. You cannot argue with the demographics, and that is where we are headed. Those are the facts. With those facts you have to understand we have got to do something different. This pay-as-you-go system simply is not a model that is going to work with demographics like that.

Fact number two, it was just mentioned a few minutes ago there is a trust fund that is going to pay out until the year 2042. Where is that trust fund and what does it contain? It is a couple of file cabinets in West Virginia that contain a couple of IOUs. There is no trust fund; there is no money. It is just IOUs. As soon as we start taking out more than we are paying in, we are simply going to incur more debt upon debt we already have. You can talk about the year 2042 and we do not have to worry until then, that is assuming there is money in a trust fund. If somebody knows where that money is hidden, please tell us because it simply is

not there. It is a file cabinet with IOUs in it.

Fact number three, there is no easy fix. I just heard one so-called solution that we simply lift the earnings cap so people like Bill Gates who make millions of dollars every year would pay more than just Social Security on the first $90,000 of income. That sounds good; but upon review, if we included all of the millionaires and others making more than $90,000 a year, we asked the actuaries what it would do, and it would postpone insolvency just 6 years. So we are just talking on the margins.

Raising the payroll tax, we have done that since the 1930s 19 times. We simply cannot continue to go down that road. I would like to hear somebody seriously propose that. What do we set it at? How much more do we want to tax people?

We have to harness the power of compound interest. We need a new model. That is what the President is proposing. I think it was Albert Einstein who said the most powerful force in the universe is that of compound interest. We have to allow individuals to harness that.

I commend the President for taking the position he has taken. The difference between being a leader and a follower is when you are a leader, you recognize that the people may not be with you and you may need to persuade them and convince them and go out and tell them there is a problem.

There are formidable foes out there, the AARP and others, who will put out information and say there is no problem, there is a trust fund somehow and we do not have to deal with this issue for another 40 years or so. So there is a lot of educating that has to be done. That is what a leader does. A follower says that is where the people are, I do not have to convince them, I just have to join them, and we will just heckle and boo anybody who proposes a solution. That is not leadership, and I am glad the President is actually leading on this, and I commend my colleagues for leading on it as well.

Mr. Speaker, this is a serious issue. There is no more serious debate that we will have in this coming decade domestically than how to deal with this issue. How do we give individuals the freedom to be more secure in their own retirement. I tend to believe that in the end if you present Americans out there two politicians, one who will stand and say, yes, there is a problem, we need a fix, and the other who will say there is no problem, there is a trust fund somewhere that will fix it, I think in the end Americans will believe the politician who fesses up to the fact that there is a problem. Demographics do not lie, and we have to deal with it in the future. I commend the President and those moving towards a real solution and who are presenting actual proposals that will move us in the direction we need to go.

CONFISCATED PROPERTY IN ETHIOPIA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. ROHRABACHER) is recognized for 5 minutes.

Mr. ROHRABACHER. Mr. Speaker, I am introducing a bill today concerning the Ethiopian Government's confiscation of property owned by U.S. citizens and the Ethiopian Government's arrogance and intransigence in the face of efforts to rectify the situation.

Mr. Speaker, the Berhane family are constituents and friends. They are black African immigrants who fled the establishment of a communist regime in Ethiopia in the 1970s. They now live in Huntington Beach, California. At one time the Berhane family owned the National Alcohol and Liquor Factory, NALF, in the capital of Ethiopia. The Marxist regime that took over Ethiopia expropriated their property and drove the Berhane family into exile. Well, that Marxist government fell more than a decade ago.

The current government agreed in principle to return all illegally expropriated property, but it has steadfastly refused to return the Berhane family's factory, or offer them just compensation. It seems the distillery is one of the confiscated properties that the heavy-handed rulers of Ethiopia refuse to return to its rightful owners. Perhaps that is because this factory is one of the few businesses that makes a profit. The smell of corruption at the highest levels of the Ethiopian Government is hard to miss.

Mr. Speaker, this matter should have been settled long ago. This property should have been returned to the Berhane family or just compensation should have been offered. The Berhane family claim is supported by a finding of the Overseas Private Investment Corporation, which is part of the United States Government. So this is not a matter of determining whether or not the Berhane family has a just claim; it is a matter of arrogance and probably corruption on the part of the Ethiopian hierarchy.

Mr. Speaker, I am introducing legislation today that will prevent Ethiopia from receiving any benefit from U.S. Government sources until it deals honestly and fairly with the claim of these American citizens. It is a tragedy that the Ethiopian Government is risking the well-being of its people because of its intransigence in dealing with a just claim of an American family.

Mr. Speaker, this act withholds all appropriated U.S. Federal dollars to the Federal Democratic Republic of Ethiopia until property claims of American citizens are either returned or the U.S. citizens are justly compensated. With the exception of emergency humanitarian aid, this prohibition on funding includes economic support funds, the Export-Import Bank, foreign military financing, the Global AIDS Initiative, Millennium Challenge Account, and the Overseas Private Investment Corporation. This bill further directs international organizations to be required to oppose aid to Ethiopia under these same conditions.

Mr. Speaker, this type of officially sanctioned rip-off that we see in Ethiopia is outrageous. However, it is not just limited to the gang that rules Ethiopia.

□ 2045

Mr. Speaker, there are other governments, be they Cuba or Iran, that are equally guilty of this type of theft. I intend to introduce similar legislation in a broader bill denying aid to all of these foreign governments who deny the proper reimbursement to American citizens who have just property claims against them. Part of that bill, which will include Ethiopia as well, will provide that U.S. citizens with legitimate claims against a government like that in Ethiopia will be able to put a legal hold on the American property and assets owned by the government officials of that government.

Mr. Speaker, it is time for us to stand up for justice, especially for the justice of American citizens. These African immigrants who came here fleeing communism had their property confiscated. The government of Ethiopia has time and again suggested that they would return all property that was illegally confiscated. Yet the Berhane family has not had its property returned. They deserve the rights of protection of the United States Government.

We will struggle for this legislation, we will pass this legislation, we will keep this fight up until this family gets justice, this family gets their property returned or gets just compensation.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Monahan, one of its clerks, announced that the Senate has passed without amendment bills of the House of the following titles:

H. Con. Res. 5. Concurrent resolution providing for the acceptance of a statue of Sarah Winnemucca, presented by the people of Nevada, for placement in National Statuary Hall, and for other purposes.

H. Con. Res. 63. Concurrent resolution permitting the use of the rotunda of the Capitol for a ceremony as part of the commemoration of the days of remembrance of victims of the Holocaust.

SOCIAL SECURITY

The SPEAKER pro tempore (Mr. FORTENBERRY). Under the Speaker's announced policy of January 4, 2005, the gentleman from Connecticut (Mr. LARSON) is recognized for 60 minutes as the designee of the minority leader.

GENERAL LEAVE

Mr. LARSON of Connecticut. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the subject of my Special Order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. LARSON of Connecticut. Mr. Speaker, it is my great privilege this evening to be able to address a vital subject to all of America, that of preserving and strengthening Social Security. Many of us have had the opportunity over the break to go back to our districts and hold public forums and hearings and town hall meetings, and the input that we received from our citizens has been extraordinary and insightful.

This evening, we will be joined by distinguished members of our caucus, the gentleman from Michigan (Mr. LEVIN), the gentlewoman from Illinois (Ms. SCHAKOWSKY), the gentlewoman from California (Ms. WOOLSEY), and hopefully others who will be joining us as well as we seek to report back to America about what is going on.

We are most fortunate to have the man who has followed in the footsteps of the dearly departed Bob Matsui who was a champion on Social Security. The gentleman from Michigan (Mr. LEVIN) is the leading expert in our caucus and on the Committee on Ways and Means in matters of Social Security and has held these forums and hearings not only in his State but has been on shows and appeared all across this great Nation. I yield to the gentleman from Michigan.

Mr. LEVIN. I thank the gentleman from Connecticut for yielding.

Mr. Speaker, we held three town hall meetings and so many of our colleagues held many, many. It is interesting that our Republican colleagues in Michigan as far as I know during the break held no town hall meetings on Social Security. I think the main reason is it has become increasingly clear that the diversion of Social Security moneys for privatization is a bad deal for everyone, for seniors, for younger workers, for men and for women.

I am glad that the gentleman from Arizona preceded us, because I want to say just a few words. The facts really are allies here of those who are defending Social Security and the facts really are the antagonists of those who want to dismantle it. For example, the gentleman who preceded us from Arizona said that people who are coming to the Republican meetings are coming to heckle. First of all, I do not think there are that many meetings held by our Republican colleagues. Secondly, when the President goes out and holds Social Security forums, the people who can come have to have tickets. They have to be people who are proponents of the President's position. And I just would like to say to everybody, let everybody into the forums that are held by the President as is true of our forums.

Mr. LARSON of Connecticut. So these forums that the President is conducting are not open to the public, that you have to be invited by the President's people? Carl Rove?

Mr. LEVIN. As far as I know, that has been true. There may have been an exception, but I do not think so. So the gentleman is right. These are staged meetings and people who come are screened. For those of us who speak tonight, yourself, myself and others who have held our town hall meetings, there is no screening. We notify the public at large and whoever comes, comes. We have people who have differences of opinion. That was one statement of his that is very, very inaccurate. It is really an insult to the people who want to come to the President's meetings, saying that they come to heckle. The answer is they cannot get in. And they would love to participate in the discussion.

He also mentioned another allegation about the number of workers per retiree, and I think he mentioned 15 to 1 or 16 to 1. That is a figure that existed before Social Security began to make payments. The truth of the matter is that when Social Security began to make payments to retirees, the ratio was 6 to 1. Higher than today, it is true. There is a shortfall that would exist either in 2042 or 2052. After that, according to the CBO, the payments would be 78 percent of the scheduled benefits and according to the actuaries, 72 percent. So the notion that it is headed for bankruptcy, this is the path for bankruptcy, is inaccurate.

Then another thing that the gentleman from Arizona said, it is just a bunch of IOUs. The President of the United States will not say it is just a bunch of paper and I am sure the Secretary of the Treasury will not, or better not. Why? Because the trillions of dollars held in bonds by our creditors, foreign governments and also individuals, have a bond and those are the same bonds held by the Treasury of the United States to cover Social Security payments. The full faith and credit is behind those bonds. There has never been a default. Actually the bonds have been redeemed for Social Security over the years 11 times. So this notion it is just a bunch of paper is really a serious mischaracterization, and I hope that our leaders will never repeat it.

Let me say a word about this compound interest argument. The privatization proposal would do nothing to address the shortfall.

Mr. LARSON of Connecticut. When the gentleman says the privatization proposal, this is the so-called plan that perhaps the President may submit to us?

Mr. LEVIN. There is no comprehensive plan, but what has happened is that the President or his spokespeople have come forth with some proposals. So we have proposals, for example, in the commission report which was called a good blueprint by the President. We have a proposal that would shift from wage indexing to price indexing, would lead to a cut in benefits over time of over 40 percent.

Mr. LARSON of Connecticut. So this privatization plan will lead to a cut of more than 40 percent in benefits. We heard the gentleman from New York (Mr. RANGEL) say earlier that it does not even solve the gap or the supposed problem that the gentleman from Arizona was alluding to. Is that correct?

Mr. LEVIN. This proposal would not address the shortfall, and $1.5 trillion would be diverted from Social Security the first 10 years and a total of $5 trillion over 20 years of privatization.

Mr. LARSON of Connecticut. This is confusing to some of our citizens. The gentleman from Michigan is an expert on this. He has served on the committee. Why does this transfer have to take place? Seniors are asking about this. Some have said, this is like taking a credit card of your own and trying to go out and purchase stock with your credit card in the hope that the stock's returns will exceed both the interest you are paying on that credit card. This is hard to understand for a generation that has relied on Social Security as a guarantee. What actually happens?

Mr. LEVIN. I am glad the gentleman raised that point, because we are going to spend some time talking about the impact of this privatization proposal on women. In future times, you are going to be talking about its impact on other segments of our population. Let me say just a word about this notion, borrow $1.5 trillion the first 10 years, another $3.5 trillion the second 10 years, what this all means and how it would impact on people.

What has Social Security meant? It has meant independence. There are just a couple of facts I want to mention, and they show what Social Security has meant in this case, specifically for women. Four out of 10 widows in our country rely on Social Security for 90 percent or more of their income. So those who want to play around with or really dismantle Social Security are really affecting the lives of people. Another thing, it is not the income alone, but the meaning of that income, because research has shown that Social Security income is key to so many people deciding they continue to live independently. When you compare the life of people before Social Security went into effect and when it did, the number of older women who are widows who are living independently increased the

first 25 years of Social Security almost three times. So as was true for my beloved mother has been true for millions and millions of women. Social Security has not been a source of dependence; it has been a source of independence.

Let me just say a few other things about the impact potentially of privatization on women. As we know, women on the average earn less than men, on the average. Social Security has a progressive element to it. And so that means that for women in terms of the replacement of their wages, Social Security is even more important on the average than for men. And also because life expectancy is greater for women than men on the average, if there were private accounts, it would have an especially adverse impact on women.

The gentleman says there is not a comprehensive plan, but there are proposals. In the State of the Union briefing that was done by the White House, they talked about annuitization. There would be a requirement for millions of people to annuitize their private accounts if they existed. So it is not a nest egg that is their own. There would be a requirement of annuitization. And because women on the average live longer, the annuities would cost more.

These are just some of the reasons why when we go to meetings and people can come, they are not screened, men and women, younger and older; and we are going to be talking another day about the deleterious impact on younger workers, but so many of the people who come, women on Social Security, they just say, look, this has meant I can continue to live my own life. That is what is at stake here. And so what we say to everybody is, the gentleman from Arizona said fix it. Yes, they would fix it by dismantling it. The fix would be in for Social Security.

What we say is, we have fought to keep Social Security strong, we did 20 years ago here, and we will continue to fight to keep it strong. The President said, and I close with this, we need to keep Social Security strong, we need to keep it safe, we need to strengthen it. What they would do is to weaken it and dismantle it.

□ 2100

So I thank the gentleman for letting me participate, and I am glad that others can continue with this. We are determined to go everywhere in this country and tell the truth.

Mr. LARSON of Connecticut. Mr. Speaker, reclaiming my time, I thank the gentleman from Michigan (Mr. LEVIN) again for his insight and his outstanding service to the Committee on Ways and Means in this United States Congress.

I think Roosevelt said it best when referring to our distinguished colleagues on the other side of the aisle. With regard to Social Security and its impact and the plight that so many citizens go through, he said, they are frozen in the ice of their own indifference, the indifference to what ordinary Americans face on a daily basis.

No one understands that better than the gentlewoman from Illinois (Ms. SCHAKOWSKY), who works on their behalf every single day and fights for them and has done an outstanding job in her district and beyond and also held public hearings and is here this evening to add to this dialogue.

Mr. Speaker, I yield to the gentlewoman from Illinois (Ms. SCHAKOWSKY).

Ms. SCHAKOWSKY. Mr. Speaker, I thank the gentleman from Connecticut for yielding and giving me the opportunity to speak today.

And I also wanted to particularly emphasize why Social Security has been so important and will continue to be to women. Like many of my colleagues on the Democratic side of the aisle, I had an open forum, a town meeting, on Social Security. Nearly 1,000 people showed up. We could not believe it. We had a room set for about 350. We hoped to fill it at 10 o'clock in the morning on a Monday. I did it along with my two Senators from Illinois, Senators DURBIN and OBAMA, and then we had an overflow room and then an overflow for the overflow room and still had to turn people away, young people, older people, persons on disabilities.

I want to tell my colleagues one story. It may not be obvious at first why this is a story about why Social Security is important to women. A friend of mine, someone I have known for a very long time, a gentleman, middle-aged, got up and talked about something I never knew before. And he was telling about how his first wife died at the age of 35 and left him with their three children, three young children. And he said how Social Security and those benefits made it possible for them to hold the family together and for those children to go on to college. But the other thing that he added, which was so poignant, was that that Social Security benefit enabled his wife, his deceased wife, to keep the promise that she had made to their children to always take care of them. And even now it brings tears to my eyes when I think of that.

So that they could feel it was their mother that was helping enable them to go on to college to be the second generation. They are African-American, and for that family to go on to college. And I thought that was really moving.

In Illinois, we have looked at some of the statistics about how women rely on Social Security more than men do. This is a little bit dryer but important nonetheless. In Illinois, 19 percent of adults receive Social Security benefits. Think of that. Nearly one in five adults, including 21 percent of women and 16 percent of men. About almost a million women and 718,000 men and 116,000 children rely on Social Security benefits. Women represent 5 percent of all the people 65 and older in Illinois who rely on Social Security benefits. And without those benefits, 55 percent of elderly women in Illinois would be poor.

The typical recipient of a Social Security widow's benefit in Illinois, the widow that is left, receives $921 per month. But if we calculate out what we know of the President's proposal, the plan he prefers, and we look down the future at what would the typical widow in Illinois get, that amounts to, instead of the $921 per month, $506 per month or a 45 percent cut in benefits.

So it is no wonder that so many people, young people and older people, came out to this hearing because they are worried. And it was significant to me when young women stood up and said, Do you know who could reap the worst of this privatization plan, it is me, it is us. It is the young women. It is the young people. Because it is we who will see our benefits cut, who will see the debt that is mounting have to be paid off by us.

At the same time we are looking for the jobs that have the benefits, that have the pension plans right now, trying to figure out how we are going to pay off those college loans, and we do not know what our future is going to be if that guaranteed benefit of Social Security is changed into a gamble.

Mr. LARSON of Connecticut. Mr. Speaker, reclaiming my time, that is an excellent point, and the gentlewoman from Michigan (Ms. KILPATRICK) made it earlier as well when she stated quite succinctly and clearly, Social Security was never intended to be in and of itself the retirement vehicle. It was, as she pointed out, the third leg of a three-legged stool, having pensions, which we know are under stressed everywhere; personal savings, where it is so difficult for people to save; but the thing that people could count on.

The reason that it came into existence was to provide, as the gentlewoman has pointed out, an absolute guarantee, the full faith and credit of the United States of America standing behind its commitment to its citizens. It is as simple and as fundamental as that and more eloquently stated by our citizens and the young women who have come to forums and hearings and town hall meetings like the gentlewoman's all across this country.

Ms. SCHAKOWSKY. Mr. Speaker, will the gentleman yield?

Mr. LARSON of Connecticut. I yield to the gentlewoman from Illinois.

Ms. SCHAKOWSKY. Mr. Speaker, let me just say that it is no wonder, then, that the women's organizations, bipartisan women's organizations, are opposing this privatization plan. The

American Association of University Women, the League of Women Voters, who go through a very rigorous process in order to come to a position. They are raising all kinds of concerns and say that diverting money from the Social Security trust fund into private accounts could hasten the insolvency of the fund. The result could include a substantial increase in the deficit and significant cuts in some or all of the Social Security's retirement and disability and survivor benefits. The National Women's Law Center, the National Council of Women's Organizations, the Older Women's League, all these organizations are opposed to these risky privatization plans.

Mr. LARSON of Connecticut. Mr. Speaker, reclaiming my time, I thank the gentlewoman from Illinois for her insightful comments and for her continued diligent work in this area on behalf of all of our citizens, but especially for all women across this great country of ours.

Mr. Speaker, speaking of a leader on those issues, we are also most fortunate to have the gentlewoman from California with us here this evening who also has done an outstanding job in the caucus and on committee in terms of focusing on the needs of women and children and families all across this great country of ours.

Mr. Speaker, I yield to the gentlewoman from California (Ms. WOOLSEY).

Ms. WOOLSEY. Mr. Speaker, I thank the gentleman from Connecticut (Mr. LARSON) for having this late night Special Order on something as absolutely important as Social Security for our seniors, but not just for our seniors. It is actually an insurance for every single American that they could not afford if it were not under the Social Security program, and that is survivor benefits and disability benefits.

Young people just need to step back and think what it would cost them to pay for that insurance on a month-by-month basis. First of all, they would not buy it. It would be too expensive. Then when they needed it, it would not be there, and it is there now.

Mr. LARSON of Connecticut. Mr. Speaker, reclaiming my time, did most of the individuals who attended the gentlewoman's forums and public hearings understand that Social Security benefits were not just retirement benefits, that they also provided survivor benefits?

Ms. WOOLSEY. Mr. Speaker, will the gentleman yield.

Mr. LARSON of Connecticut. I yield to the gentlewoman from California.

Ms. WOOLSEY. Actually, Mr. Speaker, I scheduled two town halls. We scheduled two town halls. We ended up having three because the second one was out to the street and we just could not pack another person in. So we committed to a third right after the second. And 80 people stayed and they waited to come in and be there for an entire third of the hearing or town hall. Who I had on my panel, I had the representative of AARP, who has not been a friend to seniors since Medicare reauthorization and the prescription drug plan. And he really redeemed himself in my community, actually.

Mr. LARSON of Connecticut. Mr. Speaker, reclaiming my time, the gentlewoman may have heard what the gentleman from Arizona (Mr. FLAKE) said earlier.

Ms. WOOLSEY. They are mad at him now, Mr. Speaker.

Mr. LARSON of Connecticut. Mr. Speaker, it is interesting that they were friends during the Medicare debate but now that they have spoken out against Social Security, they are now a special interest group.

Ms. WOOLSEY. Right, Mr. Speaker. And they are being discounted entirely.

If the gentleman will continue to yield, then we had a representative from the Commission to Save Social Security and Medicare. And then, finally, I had a representative from Rock the Vote, and this young man was so wonderful. All three of them were. It was a perfect panel. And they were in both of my communities with me.

And what I do, because I cannot have one person stand up and talk for 15 minutes, is I give everybody 1 minute. They can give a 1-minute speech. They can ask a very short question and get a 1-minute response, or they can ask a long question and get a short response. But they get a minute. That is all they get. And at first they are all so uncomfortable with it. Then they are so glad that that is how I set it up because they all want to speak. And we would have gone into the wee hours of the night if it had been up to everybody to have their 15-minute speech.

But what they are saying to me is: I am a senior citizen, the majority of people who were there. This is not about me. This is about my kids and their kids. They deserve to have the safety net that we have. And, yes, they need to save on top of it and we all do and that is what is missing in this country. We do not have a savings plan in this country that incentivizes particularly low-income workers to save. But that does not mean they do not need the safety net of Social Security.

Mr. LARSON of Connecticut. Mr. Speaker, reclaiming my time, the gentlewoman raises a very excellent point, and, again, it is the same point that was raised earlier by the gentlewoman from Michigan (Ms. KILPATRICK) and also the gentlewoman from Illinois (Ms. SCHAKOWSKY). What we need, and the guarantee that we have provided every American through Social Security, is, as the gentlewoman pointed out, a safety net, a floor from which they cannot fall through. And, as the gentlewoman pointed out, our pension systems are already overstressed. We have gone from defined benefit to defined contribution to companies pulling out, wholesale, from providing benefits, to people's personal savings where, again, the gentlewoman points out the difficulty that people have, the lack of incentives that are there for them to save.

So the question that a lot of the people at my forums ask is why would we introduce an element of risk in the only guarantee that we have on that three-legged stool that prevents us from falling through the floor and into the depths of poverty, which for a woman in this country is so vitally important.

Ms. WOOLSEY. Mr. Speaker, will the gentleman yield?

Mr. LARSON of Connecticut. I yield to the gentleman from California.

Ms. WOOLSEY. Mr. Speaker, women comprise the majority of Social Security beneficiaries. They are much less likely than a man to receive pensions or have a retirement savings. And there are more than 24 million women receiving Social Security benefits. And if these were taken away, most of these women would be left in poverty. I mean what they are talking about on the other side, what the President is talking about, first of all, he does not have a plan. He just has privatization that he is talking about that does nothing to reform and save Social Security, but what he is talking about is insecurity, social insecurity. It is a gamble instead of a sure thing. And the people in the United States of America get it, and they do not like it. And I predict that they are going to pull back from it and they will not reach beyond what the people in their district are telling them.

□ 2115

Their people are booing them. I did not get any boos in my town hall. Did the gentleman?

Mr. LARSON of Connecticut. Mr. Speaker, reclaiming my time, no, I did not. But I think the gentleman from New York (Mr. RANGEL), our distinguished leader on the Committee on Ways and Means, said earlier that clearly the President has asked us to wait until he brings forward a plan. He has withdrawn the fact that this is a crisis, but points out there are problems.

Everyone recognizes that there are problems with Social Security and Social Security needs to be strengthened. But the President further goes on to now admit, as well as the gentleman from New York (Mr. RANGEL) points out, when the actuaries and the financial people have a chance to look at the proposed plan, that it does nothing to solve the problems that the President has spelled out in Social Security.

So one has to come away with thinking as to why would they possibly then want to privatize or introduce risk in

the most successful governmental program in the history of this country.

Ms. WOOLSEY. Mr. Speaker, if the gentleman will yield further, who will benefit from a private plan that invests through Wall Street? The President's buddies. It would be great if his buddies could make everybody in this country wealthy, but that will not happen. And when there is a bubble in the economy, like we had the bubble burst 2 years ago, who is going to be holding the problem? It is going to be right here, the Federal Government. Who is going to pay for it? It is going to be the taxpayers. They are not going to let all these seniors who lose their life savings in the stock market go on the streets with no food and no health care and no way to pay their rent. Absolutely we would never do that in this country, or I hope we would not, anyway. So we will do the bailouts.

But in the meantime, there are going to be a lot of people making a lot of money, and those are stockbrokers and securities bankers, and that is not what Social Security is supposed to be about. It is supposed to be a safety net.

In my town halls I was asked, Well, what would you do, Congresswoman? Why do the Democrats not have a plan? Well, actually our plan is knowing that we have got 30 or 40 years, but we can start right now. We can take a look at raising the caps, or removing the caps.

We stop paying on our Social Security as Members of Congress when we reach the $90,000 earnings level. I see no reason why we should not pay throughout the entire year. I see no reason why Bill Gates should not be paying on his billions of dollars the same percentage of those dollars that a middle-income worker pays on what they earn.

I do not see any reason why we should not have a savings plan on top of that, like we have. People say, We want the same kind of plan you have. First of all, a lot of people think that we do not buy into Social Security. That needs to be cleared up right away. Members of Congress have Social Security and we pay into the system, and we then have a savings plan on top of it that would be a plan that I would think every person in this country could have, every working person. And I think the Federal Government should match low-income savings to a point where then the savings will not be matched after you earn enough money. But, by then, do you know what? You would be used to saving. But we do not know how to save in this country. We are spenders. We do not save.

Mr. LARSON of Connecticut. Mr. Speaker, reclaiming my time, it might surprise a number of our viewers, because I believe the gentleman from Arizona was talking before about the need to get the facts straight. I believe that the gentleman is correct about that, and there should be an open and honest and frank debate about this issue, and all the various proposals should be laid on the table. The gentleman from New York (Mr. RANGEL) has asked for that, where we still have not seen any plan. We are told by Secretary Bolton and others that it is a ''work in progress,'' that we may see it in the future.

In the meantime, I think a number of our listeners would be interested to know that in 2000, Social Security lifted 7 million senior women out of poverty. This means that without that safety net, without that floor which they cannot fall through because it has the full faith and credit of the American Government, it is the social contract we have with our people who have paid in to this system, that it is there for them. It is a guarantee.

Ms. WOOLSEY. Mr. Speaker, if the gentleman will yield further, it is also a benefit. The formula actually ensures that people at the lower wage earnings get a larger percentage of their wages back than people at the higher end. It is very progressive. It is intended to keep people out of poverty. It is not intended to make rich people richer.

Mr. LARSON of Connecticut. Mr. Speaker, reclaiming my time, it might also surprise people too, when we are talking about Social Security, I know for many people, from Hoover to Landon to Friedman to Stockman, that Social Security is anathema. It is something that they would just as soon do away with. Mr. Stockman said it is ''a beast that needs to be starved.''

When we look at the policies emanating from this administration, you wonder if this is not still the plan that they are marching forward with, to privatize and to further starve the moneys that are needed.

How much money do people receive on average? What does someone get who has worked hard and played by the rules and sacrificed all their life, whether they be people that are currently serving in Afghanistan or Iraq, or whether they are firefighters or our police, or whether they are in the hospitals as nurses or other people?

Ms. WOOLSEY. They do not make a lot.

Mr. LARSON of Connecticut. The monthly retirement benefit for a woman is $798. In America, could you live on $798 a month? This is what the guarantee is. But it does prevent these people from falling into the depths of poverty. It is what Franklin Delano Roosevelt promised to the American people.

Ms. WOOLSEY. Mr. Speaker, if the gentleman will yield further, the reason it is a majority of women at that low wage is that women earn 77 cents to the dollar that a man earns. Women are out of the workforce for a great part of their earning career because they are having the children and raising the children and taking care of their parents and their husband's parents. They are the caregivers. They are not in the workforce as long and they earn less, so they are at the very bottom. But it keeps them out of poverty; and to risk that that would not be there at all, it would throw the whole burden on their children.

Mr. LARSON of Connecticut. Mr. Speaker, reclaiming my time, many have said to me in my forums as well, and I am sure the gentlewoman heard the same thing, and I am pleased to announce we have been joined by two distinguished Members from the Great State of California as well to contribute to this dialogue, but many have said at the hearings that I have conducted how Social Security for so many of them is their only source of income, and they look out and they see their pensions disappearing, they see cuts that are being made on a regular basis, and so they ask aloud for the government to please honor, honor, what it has promised and guaranteed them and what they have worked so hard for throughout all of their life.

I think it is important, as the gentleman from Arizona said, that we get the facts out there and expose the myths that have been put forward.

Ms. WOOLSEY. Mr. Speaker, if the gentleman will yield further, this will be my final thought because I think the gentlewomen from California that are here need to take up some of this time, but these are Social Security benefits that cannot be outlived. They are inflation-proof and they can be relied upon, and that is what would change if the system was privatized, and it is women that it would affect to the greatest degree.

Mr. LARSON of Connecticut. Mr. Speaker, I thank the gentlewoman for articulating that point.

I am pleased now to turn to the gentlewoman from California (Mrs. CAPPS), who also has spoken and held hearings in her district and is here this evening to contribute to this very important dialogue about the strengthening of Social Security and pointing out the direct impact that it has on women who rely so heavily on Social Security.

Mrs. CAPPS. Mr. Speaker, I thank my colleague from Connecticut for this time that we can share together. Now the gentleman has been joined by two colleagues who have been engaged with some of our leaders in the community.

Women's Policy, Incorporated, is a nonprofit organization that provides resources in the way of information and policy awareness and opportunities for us as women to pool our resources intellectually and our moral courage, if you will, to join with Members of the House.

We were recognized this evening, along with one of our pioneer women, Shirley Chisholm, in memory of her, and also today the knowledge that our

former colleague, Tillie Fowler, is no longer with us on Earth, people who have paved the way for us as women Members of Congress to join with our colleagues who are of the other gender, but who together recognize that we are speaking on a social program, Social Security, which has now a 70-year history with us.

I am going to ask the gentleman to yield first to my colleague, the gentlewoman from California (Ms. SOLIS), who is the newly elected cochair of the Women's Caucus from our side of the aisle, to join with the gentlewoman from Florida (Ms. GINNY BROWN-WAITE) on the Republican side, to lead our women Members in voicing our concern about women's issues, one of which has got to be Social Security, which impacts women to a greater degree than it does men for the reasons we will state.

Mr. LARSON of Connecticut. Mr. Speaker, reclaiming my time, let me echo the sentiments of the gentlewoman and commend the outstanding leadership that has been provided by the gentlewoman from California (Ms. SOLIS).

I yield to the gentlewoman.

Ms. SOLIS. Mr. Speaker, I thank the gentleman so much. I would be remiss if I did not first off thank the gentleman from Connecticut (Mr. LARSON) for being so outstanding and helping us provide this special hour here tonight.

As you know, we were at another engagement honoring women, new Members of Congress as well, and also to be joined with other distinguished Members of our California delegation and our cochair for the Women's Bipartisan Caucus, as well as the Democratic Caucus.

Mr. LARSON of Connecticut. Mr. Speaker, reclaiming my time, I know the gentleman from New York (Mr. RANGEL) left here and spoke earlier, eloquently as always, left here so he could be with you and share remarks with you over there as well.

Ms. SOLIS. Mr. Speaker, if the gentleman will yield further, the gentleman from New York (Mr. RANGEL) did a wonderful job.

I want to thank the gentleman. I cannot think of a more important issue that needs to be discussed at this time in our history than Social Security, and the fact that this administration would lead you to believe that there is a crisis occurring in our country with respect to Social Security.

As the gentleman and I know, some of us held some forums in our district this last week and a half, and we happened to have 15 of those in my districts, and we found resoundingly that people are saying wait a minute, stop the clock; who says there is a crisis here, when we know that this system has been working for so many people.

In my district, I represent 59,000 people who right now receive Social Security, the majority of them being elderly women. It is unfortunately in the district I represent in Southern California, the majority there are minority women, women of color, Hispanic-Latino women.

This is something that I want to talk about, because people do not understand that women work very hard, those that have the ability and chance and sometimes have to for no other reason. If they take time out of that career to raise their children or to care for someone in the family household who is ill, those quarters are missed; they do not pay into the Social Security system. So on the whole, women tend not to be able to obtain the same kind of financial privileges that most males do, and in fact women only get 70 cents on the dollar. So that also adds to the frustration of women not being able to have the full benefits as others in our society, and it hurts.

I want to point this chart out here, if we might, to just go over what some of the myths and maybe realities that need to be pointed out.

Women, as you know, rely more heavily on income from Social Security. That is probably true across the board. Social Security provides well over half, 50.8 percent, of the income of women 65 and older, and just over one-third, 35 percent, for older men's income. So that is a substantial difference there.

□ 2130

Women have to rely on that source. Social Security provides 90 percent or more of the total income for 44 percent of all nonmarried, 44 percent. In these categories, widowed, divorced and never married. So we are talking about single women. Women 56 and older, 74 percent of the older non married African American women rely on this source. 66 percent of older nonmarried Hispanic women rely on this source. Without Social Security over half of all women 65 and older and 40 percent of older men would be poor. Social Security was invented 70 years ago to be that, Social Security, that protection so people could live their lives out of poverty and it is something that we have to keep talking about to educate the public.

Mr. LARSON of Connecticut. The gentlewoman is absolutely correct. And I thank her for pointing that out. I would like to yield to both the gentlewomen from California to finish off the remainder of our time and focus on the specific needs and concerns that you both articulate so well Mrs. CAPPS.

Mrs. CAPPS. Thank you. And thank you to my colleague, the gentlewoman from California (Ms. SOLIS), both of us serving on the Health Subcommittee of Energy and Commerce, where this issue has particular relevance for women and thinking about the health priorities that women always hold dear. We thank our colleague from Ways and Means Committee, the gentleman from Connecticut (Mr. LARSON) for organizing this with us to focus on the effect that Social Security has on womens' lives.

I speak from a public health perspective as someone who is engaged with families in our communities on public health and the devastating effect that privatizing Social Security would have on the majority of its women, recipients who are women.

As has been mentioned already, but I do not think we can say it often enough, women on average earn 77 cents to the dollar, to every dollar that a man makes. Yet, they live longer and rely more heavily. This is a demonstrated fact that women rely more heavily on Social Security to support them in their later years.

Women are more likely to interrupt their careers to stay at home to care for children, therefore are significantly less likely than men to receive a pension. And for those women who do receive a pension, their benefits are about one-half of the benefit that men receive.

Fortunately, Social Security is more than just a retirement program. It is a social insurance program structured to help women such as those Ms. SOLIS and I know very well, to overcome the hurdles that they face after raising families, caring for their parents, working, but not as much as men do, most likely because they have interrupted their careers, then to face widowhood. And I am a widow. I know very well some of the challenges that widows face, to overcome the hurdles of older years.

For example, lower earning workers earn higher benefits relative to what they have paid into Social Security taxes. Social Security also has spousal benefits. For example, a wife gets half of her husband's benefit at age 65 and the full benefit should he die before her as is often the case. But oftentimes this is the sole life support for such a woman in her older years.

Social Security also has survivor benefits that help families when the primary owner has died prematurely. Sometimes and often that primary worker is a man, is the husband, and the provider for the family. So that young widow who is raising now by herself her children and is engaged in all of the other responsibilities that she has, now she is left to live on the Social Security benefit provided her as a survivor. In these cases, benefits are paid to the surviving spouse and dependent children. These are all critically important benefits, important to millions of women and these are all benefits which are at risk of being lost in a privatized system. And I will yield back now for further comment from my colleague from California (Ms. SOLIS).

Ms. SOLIS. Thank you so much. Again, I want to also reiterate as we said earlier, women earn 70 cents on every dollar earned by a man. On the average, that is about $11,000 less income earned each year compared to men. So that is something that we have to put in perspective. And as a result, women have less money to invest in private accounts, so there goes that theory about, gee, we have disposable income to put away to put in a private account. That is not necessarily the case for many people that I represent in my home district. And I know we are hearing a lot from our constituents right now. In fact, in my office alone, we have received well over 300 correspondence saying no privatization. Privatization, what does that mean?

In my opinion, it means that there is going to be money that is actually going to be taken out of their benefits, and in the long run, our young people that are paying, say, would pay into something like that are not going to receive the same return once they are eligible for that. And, in fact, those people that choose not to set up a private account are also going to be penalized. So over the long haul, I do not think that privatizing Social Security is actually going to end what the President is saying is a crisis because it is bankrupt. In fact, it will not do anything to make it solvent. Privatization will not do that. So I think we need to keep this discussion going.

And I would like to point out in this graph here we are talking about women's issues tonight because it is appropriate. This is Women's History Month, the month of March. And why not? Is it fitting to talk about the reality of how women fit into this figure of Social Security and how that piece of pie is divvied up.

And retired workers, for women basically represent 33 percent. Very different from a pie chart that you would see for males. Widows and mothers, 20 percent. Disabled adult children, 1 percent. Wives, 11 percent. Dually eligible, 24 percent. Disabled workers, 10 percent. This is how money is divvied up for these different categories of women who are affected and how the funds are distributed.

I can tell you now this would change dramatically if this whole new privatization effort came in and we changed the criterion formula. I do not want to tinker with it. I have parents right now who are on Social Security and I also have a family member who benefits right now from survivor relief because she also lost her spouse and had three children to raise. They were teenagers and one was a younger child. Two have now gone on to get married. One is still with her. And if it was not for that small check that still helps her out, she probably would have had to sell her home, change her lifestyle, would not be living the comfort life that she does, and I do not mean comfort by being extreme and wealthy or anything. I just mean by being able to hold a family together. And most people do not see that face. They think that it is somebody else

Mrs. CAPPS. If my colleague would yield, thank you. Your numbers and your graph, the pie chart are graphic and significant, and I would like to put a face on that so that I can give you an example from one of the non retirees that I met this past week in my district who are one of the one-third of the Social Security benefits who are not seniors.

Last week, I held discussions with my constituents to hear their thoughts on the President's plan to privatize Social Security. I heard from many women, several in very different circumstances, yet each of them depending on Social Security in order to make ends meet in their lives.

I heard for example from a 54-year old woman from San Luis Obispo County in California who receives Social Security disability payments due to a work-related injury which occurred 8 years ago. At that time, she earned a considerable salary and she and her husband had invested 15 percent of their income to save for retirement. One could point to them as a model for the kind of American family that we like to hold up as an example of people who work hard, earn a good salary, and then are also saving for retirement.

However, an injury prevented her from returning to work so that she and her husband subsequently divorced and her investments that she had carefully set aside plummeted during the market turndown a few years ago. And here she was, ready, she said, to be turned out on to the street after living what she called an exemplary life. As a divorcee with a chronic injury, she is now forced to rely on disability payments. She said to the group, she said, I never thought I would be in the position where that Wednesday of every month that that check comes is like a birthday, it is a big celebration in my life to know that that Social Security check is there for me. She said I never even dreamed about how I would be dependent on this.

And these are the disability payments she and her young daughter now are receiving that are the essential platform for how she is able to live. Though she does gets some income from disability insurance, these payments, these disability payments will end when she turns 65. And when she turns 65, that is just 10 years in the future for her, she is going to have to further rely on Social Security because the majority of her retirement investments were lost in the unstable markets, and that is why she knows very well how important keeping Social Security, that covenant, that trust between generations, because of what the difference is that it has meant in her life. It is designed to be the one thing that is not a risk in the inevitable ups and downs of the market of the stock market.

We cannot afford to jeopardize this critical safety net. Too many of our fellow citizens rely upon it. So we must get the word out that our constituents are telling us and not be fooled by the rhetoric of an administration which is really seeking to gut Social Security.

Social Security, as we know it, has been the cornerstone of American life for the past 70 years. And I believe that my children, daughters and sons, and my grandchildren should be able to enjoy that which we believe in so much. And I know that my colleague has some concluding remarks as well.

Ms. SOLIS. I just want to say how grateful I am to our colleagues in the House for allowing us the opportunity this special hour to have this special presentation on how Social Security, the proposed Social Security changes that the administration is proposing, the Bush administration, would affect our constituents. And, in fact, women are going to be disproportionately affected, and especially if you come from communities of color or you have not had a long history because of maybe illness or because you were raising your children and took time out of the workforce to do that. You are going to be penalized.

And I just want to make it clear for the very young people or those that are looking to put money away and that this privatization is going to help them, they need to understand it is not the same thing as a 401(k). What they put in is not what they are going to bring out. And they need to understand that if we go forward, if the President moves forward with this plan, we are going to have to give up $2 trillion over 10 years that will be paid out. Somebody is going to have to pay that back and it is going to come back in the form of lower benefits for people who go into these private accounts and those that do not.

So I am not for it and I am telling my constituents to call us, to let Members of Congress as well as the administration know where they stand. And I am hearing that there are not quite a few members on the other side of the aisle that are convinced that the plan that the President has is one that truly will address the shortages, the so-called shortages or bankruptcy that might be occurring.

So I am very pleased that we have an opportunity and we will be back as much as we can in the next few weeks to talk more about this very important issue that we know thousands and thousands, if not millions of people rely on a source of income and livelihood.

Just as you said, I have several constituents whose only sole source of income is that one check that comes in.

And maybe 2 or $3 out of that check that can give them a chance to get out of the house to go and have a meal with another friend or to go visit the senior center and pay $1.50 to get a reduced meal to share with others, knowing that they are all in the same kind of situation and they are horrified to hear that someone wants to take it away. So with that, I believe our hour might be up. If not, any concluding remarks?

Mrs. CAPPS. I think the gentlewoman is right, that this is a message that we are echoing here on the floor of the House, that we have been hearing from our constituents. Their voices need to be heard as we debate one of most, if not the most important program that we have as a country determined is important within our values framework, what we believe in, that it is to be an American, that we are going to look out for those who are elders and those who are frail and have disabilities, widows and orphans living among us. There are lots of scripture texts that reinforce the importance of doing this. So we will use the opportunity that we have for Special Orders to do this. And I believe we now will yield back any remainder of the time that we might have.

Mrs. MALONEY. Mr. Speaker, I'd like to thank my Democratic colleagues on the Ways and Means Committee and the Democratic Women's Caucus for organizing this Special Order on this critical topic.

As I have said before the Administration's proposal to cut Social Security in half is bad for every American and is particularly bad for women.

Today, 24 million women get Social Security. Because women tend to live longer and earn less than men, they tend to rely more on Social Security for financial security in their old age.

Women are 60 percent of all recipients at retirement and 75 percent—three quarters of recipients over age 85.

There remains a real wage gap between women and men in this country and that translates into a real pension gap.

According to the Social Security Administration the median earnings of women working full time are only 75 percent of those of men.

The wage gap is much bigger when one looks at it over a working lifetime. Over a 15 year span, women only earn 38 percent of what men earn.

Social Security reduces the poverty rate among women by about 80 percent and is the only source of income for almost 30 percent of retired unmarried women.

For all unmarried women and widows, Social Security makes up over half of their income whereas for unmarried men and couples Social Security only makes up a bit more than a third of their retirement income.

In addition, women rely more than men on spousal benefits, survivor benefits, and disability benefits. Over 80 percent of those receiving disability or survivor benefits are women and children.

Private accounts would hurt women more because of the huge benefit cuts that they entail and because women have less earnings to put in private accounts than men do.

Effectively, private accounts erase the benefits of Social Security in providing financial dignity to older women and would take us back to a time when the majority of widows and orphans lived below the poverty line.

The Administration refuses to show us the numbers on how its proposal would cut benefits to retirees. But we know these cuts are built in.

The Administration's privatization plan cuts benefits more than 40 percent to future generations.

The cuts to spouses, survivors, and recipients of disabled worker benfits would be even deeper. And workers who become disabled or die young would not have worked long enough to build up a private account to help support them or their surviving spouse and children.

In the Town Hall meetings that I held during the recess women were particularly concerned over the loss of benefits that the Administration's proposal would entail. They were right to be concerned. Women have more to lose here.

But we can fight back. We are making progress. Just today, the distinguished Majority Leader of the other body suggested that the Administration might not be able to get a vote on this this year and might have to drop private accounts from any proposal.

This is no time to rest. We must speak out in Special Orders Town Hall meetings and otherwise to make sure Social Security is protected or our mothers for our daughters—and for every American.

Thank you again for organizing this Special Order.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, I rise today to address the devastating impact that privatizing Social Security will have on women, especially African American Women.

Social Security is particularly important to women, especially in my home state of Texas. Without these vital retirement benefits, 564,000 women in the Lone Star State would be classified as poor, according to a report released by the Center for Budget and Policy Priorities.

Currently, Social Security benefits are progressive; that is, those with low wages receive a larger percentage of benefits relative to their earnings than higher income individuals do. This system of progressivism, combined with a cost-of-living adjustment that increases benefits every year, strengthens the safety net for those who are the most economically disadvantaged.

Privatization flows from concerns that many people have about the future of Social Security. Some of those concerns are founded and some are not. We are all well aware that as the post-war baby boom generation ages; the number of retirees relative to the number of workers will increase. These are facts that cannot be changed. However, modest changes, implemented immediately, can give people time to plan for the future and would take us a long way toward resolving the issue.

Privatizing social security is the most radial change, and it assumes that there is magic in diverting some portion of the current social security payroll tax into the private markets. Most privatization plans propose to strip a few percentage points off the Social Security payroll tax and divert them to private individual investment accounts. Most people happily focus on the vision of a few dollars a month growing into millions of dollars over time. Unfortunately, this is a dream and not reality, as we have witnessed in the current stock market.

There are three very important things that should be considered when privatizing Social Security benefits. First, the huge cuts in benefits which would be required under the privatization plans—most as large as a 60% cut in Social Security benefits. For people with large savings from other sources, which may not seem like much, but for most Americans, it would be a drastic reduction in the protections they have to come to rely on.

Next, privatization would be a major change in who bears the risk of saving for retirement. Privatization would shift nearly all the risk to the individual. People who are unwise or unlucky in their investments would suffer. We saw many examples of this in recent stock market falls.

Finally, privatization would increase the Federal deficit by more than a trillion dollars over the next ten years. Taking a mere two percent of payroll away from the Trust Fund could double or triple the size of the deficit. This effect is what some people trivialize as ''transition costs.'' I do not believe it is trivial, and given the other concerns which privatization raises, I think we should look long and hard before we leap in this direction.

How do African-American women fare in privatization proposals currently floating around in Congress? Not good at all.

Although Black women typically live longer lives, their lifetime earnings are usually much lower than their white counter-parts. Under privatization, this lower level would mean black women would be forced to live longer on a smaller amount of money.

Hugh Price, President of the National Urban League and Julian Bond, Chair of the National Association for the Advancement of Colored People, wrote an editorial in the New York Times, on July 26, 2001 addressing African American women and social security. They found that guaranteed government assistance is essential to the African American community. While African Americans make up only 12 percent of the general population, they make up 17 percent of all Americans receiving Social Security benefits and 22 percent of all children's survivors benefits. However, the Administration has been unclear on how disability and survivor benefits would continue to be funded.

A study by the National Urban League counters assertions made by the Administration that African Americans will benefit from private accounts bequeathed to their relatives. According to the study, the typical African American man dying in his thirties would only have enough in his private account to cover less than two percent of the survivor's benefits under current law. This also has a devastating impact on African American women as survivors.

Members of Congress must be fiscally responsible when it comes to making decisions regarding Social Security. Fiscal responsibility entails looking at the whole picture and seeing

the effect it may have on ALL individuals in society. I urge my colleagues to make this the inclusive America we continue to represent to the world and ensure that Social Security proposals give everyone some comfort in life.

Mrs. CAPPS. Mr. Speaker, I yield back the balance of my time.

DIALOG ON SOCIAL SECURITY

The SPEAKER pro tempore (Mr. KUHL). Under the Speaker's announced policy of January 4, 2005, the gentleman from Arizona (Mr. KOLBE) is recognized for 60 minutes as the designee of the majority leader.

Mr. KOLBE. Mr. Speaker, I take the time this evening to rise on a subject that we have just heard a great deal about this last hour, and I certainly invite my colleagues from the Democratic side to stay around. I would be happy to yield part of my time to them so maybe we could begin this dialogue that we heard about in the last hour that is much needed here because I do believe that we do need to have a dialogue.

I have actually been conducting a dialogue on this for a long time. 10 years ago, 10 years ago this spring, Congressman Charlie Stenholm of Texas and I formed the Public Pension Reform Caucus in the House of Representatives to begin to educate members of the House and the American public and staff here in the House about some of the issues, the looming issues of Social Security.

□ 2145

Ten years ago it was as obvious as it is today or perhaps today it is even more obvious, but it was obvious even then because of the demographics that we were facing a problem with Social Security. And we thought that it was time for us to start addressing and to talk about what ought to be done. So tonight we are here to talk about strengthening Social Security.

I heard the word ''gutting'' Social Security used by the other side a few minutes ago. Nothing could be further from the truth. Nothing could be more like gutting Social Security than to do absolutely nothing. That truly is the way to hollow out Social Security and say to the next generation and the generations that follow that there will not be Social Security. But there is a way that we can strengthen Social Security, make sure that that benefit is there for the women and children that we heard about here, for the low-income person, for the retiree that does not have much else.

We can make sure that it is there. We can do it by coming together, reasoning together and making some suggestions and ideas, coming up with ideas about how we can strengthen Social Security, how we can protect it for the future, how we can protect it for current retirees and how we can make sure that the next generations of retirees have a Social Security benefit.

Now, it is not certainly just our side on the aisle that has been talking about this. We seem to agree on this idea that there is a problem. And even before we began this discussion this year on this, I am delighted to see that there are previous high-ranking Democrats that have been talking about this.

President Clinton in 1998 talked about Social Security and said that, Of all of these achievements, the economic achievements, and our increasing social coherence and cohesion, our increasing efforts to reduce poverty among our younger generation, all of them are threatened by the looming fiscal crisis in Social Security.

That is 7 years ago. President Clinton identified that there was a looming fiscal crisis in Social Security. He did not say Social Security was in danger of going away. He did not say Social Security was in danger of being gutted. He said there was a fiscal crisis, and that is exactly what we face today. It was a cash-flow crisis.

Senator HILLARY CLINTON while she was still first lady, she said that one of the most critical challenges of our time is preserving and strengthening Social Security for future generations.

That is exactly what we are talking about here tonight. We are talking about how can we make sure that Social Security is preserved for those who need it today, how can we make sure it is strengthened for those who will need it in the next generations. That is precisely what we are talking about.

Now, we will look a little bit at some of the dimensions of the problem as to why we do have a problem. And by the way, problem, crisis: there is a lot of talk around here. It is not a crisis. In fact, we are hearing it is not a problem at all. Obviously, President Clinton did not agree with that. Obviously, Senator CLINTON did not agree with that. I have never used the term ''crisis,'' but it is a problem.

You know what happens when you have a problem and you do not do something about it: it becomes a crisis. If you ignore it, the problem becomes a crisis. It is not a crisis today, but we can see the crisis looming in the future. And I can tell you from having introduced the only bipartisan and the only comprehensive Social Security reform bill for these last 8 years, that Former Congressman Stenholm and I introduced and the current Congressman, the gentleman from Florida (Mr. BOYD), and I have introduced it this year, still a bipartisan bill that covers every detail of strengthening Social Security. I can tell you that if you do not work on strengthening and if you do not work on fixing it now, it becomes more difficult in the future.

Every 2 years when we introduce our bill in the next Congress, we have to go back, of course, and recalculate the figures for the fact that 2 years have passed by, the demographics have changed a bit, and it becomes more difficult. It becomes more expensive. It becomes more costly. It becomes harder for the next generation, and it becomes harder for the current generations.

What is the problem? What is the basic problem that we have in Social Security? It is a problem of demographics, that people are living longer. We have more people who are retiring. They are living a longer life. And at the other end we have families that are smaller. They are being started later. And so we have fewer people coming into the workforce.

I have heard here this evening the talk about how this is a social insurance program. It is social insurance. It is social insurance, but the insurance program, the insurance that we have here is a contract between generations because Social Security, and let us make no mistake about this. If we do nothing else this evening, I hope we can convey one thought: Social Security is a pay-as-you-go program.

Taxes are collected today that are paid out in benefits at the end of the month. The contract is between generations, that when the next generation gets ready to retire that there will be somebody there to pay their benefits.

Let me go through this chart and let me yield to my distinguished colleague here because this is the fundamental problem that we face.

In 1950, there were 16 workers paying their taxes for every single person that was receiving Social Security benefits, 16 people working, for every one receiving their benefits. Today there is only 3, 3⅓ people working for every one that is receiving their benefits. When the younger workers retire in 20 years, that is not so young actually, but when people start retiring in 20 years, there will only be two workers that are going to be paying for the taxes for every single beneficiary. That is two people are going to have to pay their taxes each month to equal the benefit that is going to one retiree. That is a huge tax that people are going to have to pay.

The reason is quite simple, as we just said. All the baby boomers begin retiring in the year 2008, and then we have those people living a lot longer, and a smaller number of people coming into the workforce to cover those taxes. That is the essence of the problem that we have got. That is why working together here, Republicans and Democrats, both sides of the aisle here, we need to work together to find a way to strengthen Social Security, to make sure that it is strengthened for the next generation, that we preserve it for the current retirees, but that the young people will have some hope that there will be something there for them.

I know the gentleman from Minnesota (Mr. KLINE) has worked very hard on this issue. I know he has conducted some town halls, which I want to talk about some that I have done recently; and I would like to yield to the gentleman from Minnesota (Mr. KLINE).

Mr. KLINE. Mr. Speaker, I thank the gentleman for yielding to me.

Before we move further in this discussion, which I am looking forward to this evening, I just wanted to touch on a couple of subjects that my distinguished colleague from Arizona has brought up and some of the things we heard from our colleagues on the other side of the aisle.

First of all, I know that the gentleman from Arizona (Mr. KOLBE) and all of my colleagues on both sides of the aisle really would like to see a strong Social Security program. I have been telling folks, in fact, I was talking to high school students in Minnesota this last week that it is very important to me that Social Security be in place for my 84-year-old mother, and it will be in place for my 84-year-old mother. But I want Social Security to be in place, to be strong, to provide the kind of retirement safety net that our colleagues have been talking about for my 35-year-old son, my 38-year-old daughter, my 3-year-old granddaughter.

The demographics that my colleague has just put up there start to show the problem. And we are going to get into that some more this evening; but I am disheartened, frankly, I am disheartened to hear some of the language that we were listening to earlier.

Our colleagues ascribed some motives that I think are out of place. One of them, for example, said that the President wanted to reward his buddies with his proposal, and that is simply not true. It is not fair and it ascribes a motive that is not there. One of our colleagues said that we want to gut Social Security. That is not true.

I know that the gentleman has been trying year after year after year to, in fact, strengthen Social Security and make sure that not only do the current retirees not lose benefits, but that my daughter, my son, and my grandchildren do not lose benefits either. And I just hope that my colleagues would all understand that our motives are to strengthen Social Security. We should be working together in a bipartisan way as my colleague has been doing to do just that, and I hope that we can move away from some of the harsh rhetoric that we unfortunately have heard tonight and I am afraid that we are going to be hearing in the future.

Mr. KOLBE. Mr. Speaker, I appreciate the comments of the gentleman here, and I think they are on point. I think the gentleman is absolutely correct.

It really does not serve anyone very well to have the kind of harsh rhetoric that we have been hearing about this issue. It is too important to carry on in that kind of a partisan nature.

I remember sitting on this floor when the President of the United States, President Bill Clinton, talked about Social Security reform in 1998 and standing and applauding when he had the courage to get up there and talk about it. In fact, the President then followed up with only one major effort, out-reach effort that he did, and he happened to do it in my congressional district.

I flew with him on Air Force One to Tucson in order to talk about this issue, and I was struck by the amazing grasp of the detail that President Clinton had about the nature of the problem that we were facing. It is exactly the things that we have been talking about and that we will continue to talk about and that President Bush is talking about today.

We have a problem. We need to find a way to fix it. We need to find a way to strengthen Social Security so it will be there for the next generations as well as for current retirees. So we are not talking about taking it away. These kinds of scare tactics, they are not only bogus but they are disheartening as the gentleman from Minnesota (Mr. KLINE) said, but they are also very destructive.

They do not help us find a solution. And if ever we needed to have a bipartisan reach-out to find the solution to this problem, it is on this issue. The American people are watching us to see whether Congress really can reach out to find some way to fix this.

Mr. KLINE. Listening to the debate, the arguments earlier this evening, it was clear that our colleagues recognize that something needs to be done. I know that the gentleman from Connecticut, I believe, said everybody knows that we have got to do something to strengthen Social Security, and other Members have said everybody knows we have to do something. And we heard a couple of proposals and increasing taxes was proposed by the gentleman from California, I believe; but if we know that something has to be done, we ought to be able to move forward and engage in the debates and engage in the discussion about what we are going to actually do to strengthen Social Security.

But I know that not everyone understands the nature of the problem and how quickly it is going to arrive, and, unfortunately, if we do not do something, how quickly it will turn into a crisis. I ask the gentleman to continue the explanation.

Mr. KOLBE. Mr. Speaker, I thank the gentleman from Minnesota (Mr. KLINE) for his comments, and I hope he will continue to engage in this discussion here tonight.

I do want to take a few moments to talk about this particular chart up here because I think it expresses better than anything I could say verbally what the nature of the problem is that we are facing.

Going back, thinking back to the last chart where we talked about how the fewer numbers of people are paying the taxes to support the beneficiaries, the people getting the benefits, this illustrates exactly what that means in terms of the cash that is coming into the Social Security trust fund. The reforms, the changes that were made in 1983 went a long way towards fixing Social Security in the short and the median term; but for the long term, it just kicked the problem down the road. It did not make a permanent fix to it. It just postponed the day of reckoning, postponed the day of reckoning because it increased the taxes. And gradually we are in the process now of raising the retirement age. It made some other things.

So since the late 1980s and early 1990s, we have been collecting more in revenues from Social Security tax than we have been paying out in benefits. That means the Social Security trust fund has been reaping this windfall, if you will. It has had this extra money which we all know really is one arm of the Federal Government that is the Social Security trust fund taking the money and then turning around and loaning it to the Federal Government for part of the operations of the Federal Government. It is really paying part of the deficit, if you will, the operations of the rest of the government.

Now, the trust fund gets some IOUs and some Treasury bills in its name in there, and those are earning some interest. But here is what we have got right now. There are more benefits coming in. But as you can see here this black part up here which is the revenues exceeding the benefits being paid out, it takes a downturn here in just 3 years.

Now, that is the first critical date we need to focus on, the year 2008. It is in the year 2008 where the revenues start to decline and the excess revenues start to decline. And so the deficit, instead of masking more of the deficit each year, it will start masking less and less of the deficit each year.

□ 2200

So we will be doing more borrowing in order to cover the rest of the deficit.

Then, in the year 2018, you can see where these lines cross and the black turns to red. That is where the benefits being paid out exceed the revenues; the taxes that are actually being collected. So the Social Security trust fund has to go back to the Treasury, they have to go and cash in those IOUs they are holding, which means that the Federal Government has to give them cash and replace that borrowing with massive amounts of borrowing over here to cover the deficit.

At that point, they not only have the annual amounts they are covering for each month to cover the benefits, but they also are going to have to be covering the replacement of the IOUs. So the deficit really starts to balloon at that point. And within just a very few short years, up to 2018, the deficit being caused by the Social Security Trust Fund cashing in those IOUs is in the hundreds of billions of dollars a year.

We are going to be faced with a Titanic, a major, a simply major problem that we are going to have to confront at that point. How much do we borrow? How can we keep on borrowing those amounts of money, just to cover the shortfall in Social Security? And this is not saying anything about the shortfall in Medicare or the other kinds of entitlement programs that we have.

We are talking just about Social Security. It is going to be a massive shortfall that we are facing. That is why it behooves us to start thinking about this now.

Now, the third and last date that is currently projected is the year 2042. That is when the IOUs are gone. They have cashed in all the IOUs. Somehow we have managed to borrow the money from the Chinese or Japanese or the Germans, or whoever, to replace that borrowing, and we have managed to get the cash to pay the benefits. But in 2042, the IOUs are gone. There is nothing more for the trust fund to go out and use, except the money that is coming in each month.

At that point, assuming we have done nothing, as some people I have heard tonight over on this side suggest that we do, do absolutely nothing, if we do absolutely nothing, at that point the Social Security benefits would be cut by 27 percent.

Now, is there anybody listening this evening, and my colleague can answer this for himself, is there anybody that really thinks politically, with all the retirees we will have in the year 2042, we could realistically say, gee, your benefits just got cut 27 percent this month. Take it or leave it. That is it.

Obviously, that cannot happen and will not happen, which is why we have to think now about how we will fix this so that it is strengthened for future generations.

Mr. Speaker, I will be happy to yield to the gentleman again.

Mr. KLINE. Mr. Speaker, I thank the gentleman for yielding to me. I think it is a terrific graph. The problem is clearly outlined with that big red area that says cash deficits.

I just want to reinforce what the gentleman said about the trust fund; the trust fund not actually having any money in it, having IOUs, having bonds that have to be redeemed through the general fund. And the gentleman, I know, understands full well that it is highly unlikely without some major change that we could reach that 2042 date when the IOUs run out. The impact to all of America between 2018 and 2042, if we do not do something now, would just be catastrophic.

To get back to the gentleman's opening comment about problem or crisis. Certainly it is a problem today, but clearly a crisis when you get into that big red area that says cash deficits. That is why it is so important we should have this debate today; that the American people understand that we are facing a problem which is going to turn into a crisis. We need to get this debate engaged and agree on a solution which will strengthen Social Security.

I know there are many proposals out there. The gentleman has a bipartisan proposal, the President has put forth an outline of a proposal. Our colleague, the gentleman from Wisconsin (Mr. RYAN), and Senator SUNUNU have a proposal, and others, and that debate, that discussion is the one we need to have. If there are others who think that simply the solution is to raise taxes, which was suggested here tonight, then, fine, let us put that discussion into the debate as well. But let us recognize that that red area, that sea of cash deficits is something that is looming.

Now, I am part of that leading edge, or maybe 1 year behind it, of those baby boomers, and it is a rapidly approaching demographic shift that we need to address.

Mr. Speaker, I yield back to the gentleman.

Mr. KOLBE. I thank the gentleman again for his comments. The gentleman is a bit younger than I am. I am afraid I got ahead of the baby boomers on this.

Mr. KLINE. You are one of the few.

Mr. KOLBE. One of the few left around here.

Mr. Speaker, I agree with what my colleague has just said, and I think he is exactly on target. We do need to be thinking about all the different ways in which we could fix this. Certainly taxes is one of the ways we can fix this. Certainly we can do some reduction of benefits. But, really, if you think about it, there are really only three ways you can have a fix or do something to really reform Social Security.

One is increase the revenues. That is increase the amount of taxes you collect; whether you increase the amount of wages subject to the taxation, or whether you raise the rate of taxation, that is the rate of the Social Security tax we are paying today.

The second, of course, is to make some reductions in the benefits. You can make the reductions for future retirees, or whatever, what ever other retirees we are talking about. But you can reduce the benefits.

The third thing is to increase the rate of return on the investment. And that really gets us to the personal accounts, which I want to talk about in just a moment.

But before I do, I thought maybe it might be useful for us to talk a little bit about the town halls that I have been holding, and I know a number of my colleagues have been holding about Social Security. Of course, for me, having had a proposal, a complete proposal introduced in Congress for the last 8 years, and having been talking about this for at least the last 10 years on the floor of this House and in every single town hall I have done, we have been talking about this. And I am talking about in my retirement communities, where everyone who comes to the town hall is 65 and over, I have been talking about this for a long, long time.

So I am not fazed by the fact that a handful of people show up at my most recent town hall and they are, well, let us say fairly vitriolic. They have a few unkind words to say because they have not been there before. And I know these people are coming as a result of some e-mails that were received from different organizations. But by and large, the vast majority of the people that have come to my town halls during this last recess that we had were interested in seriously hearing about the nature of the problem and what kind of fixes we could have.

I think on that score, by the way, the President has won the first round of this battle. My colleagues on the other side that want to deny that there is a problem have lost that battle. Because the polls now show by an overwhelming margin that the American people do think there is a problem with Social Security, and they think Congress needs to fix it, and they think it needs to be the highest priority of Congress to strengthen Social Security. So we have reached over that first hurdle.

Okay, there is a problem. Now, let us get to talking about what are the solutions. What are the things we might do that could make Social Security a better program for the future.

Coming back to my town halls, I just wanted to share this one story. And I do not know if the gentleman from Minnesota has some others that he might want to share, some of the experiences he has had in talking about this, but I had a town hall down in Sierra Vista, which is one of the communities in my district. There is a large military facility down there and we talked about Social Security for 1 hour of the meeting.

I had two women who came up to me after the town hall was over and they both said they were Democrats. And they said they had come to the meeting as a result of an e-mail they had gotten and they had come opposed to reform and very much opposed to the concept of personal accounts. But after hearing the facts and the data, and we did have a real debate because there were plenty of people in the audience that were trying to dispute the things

I was saying, so we had a real discussion about it. But they said after hearing the facts, the data, and the reason why reform is essential, they told me they were supporters of the concept of personal accounts, and that they were going to go away and explain to their Democratic friends why personal accounts are necessary and why we really ought to be doing something to reform Social Security now.

So I say that there is no doubt that if we talk about this issue with our constituents, with the people we represent at home, I think there is no doubt that they will understand that there is a need to do something to strengthen it. I think there is still a lot of uncertainty about what the reform should be. How should we fix it? How should we make it better? How should we strengthen it? But I think there is a growing awareness that we do have a real problem there.

Mr. Speaker, I would be happy to yield again to the gentleman.

Mr. KLINE. I thank the gentleman for yielding once again, and I just want to underscore the point the gentleman made that increasingly our constituents understand that something needs to be done.

This sort of anecdote has been put forth many times before, but just this last week when I was back in my district, I was visiting one of the high schools. I had a group of students, about three classes, and we were discussing a large number of subjects, everything from the war to taxes to education, and one of the subjects was Social Security.

I asked the question, which I am sure many of my colleagues have asked, to those students. I said, how many of you believe that Social Security is going to be there when you retire. Just asked the basic question. Not a hand went up. I thought, well, maybe they are just a little shy and do not want to raise their hand. So I reversed the question. I said, how many of you believe that Social Security will be gone when you retire? And about a third of the hands went in the air.

Now, as the gentleman knows, sometimes when talking to high school students, or Members of Congress for that matter, not everybody is paying full attention, but it was clear to me the young people in my district, and I think across the country, just have no confidence that the Social Security that their grandparents are using and enjoying is going to be there for them. And the gentleman has shown us very graphically what that demographic problem is. I believe that underscores our purpose here to strengthen Social Security. Not to destroy it, not to weaken it, and certainly not to gut it.

I know many of the proposals that have been put forward, the President and many of our colleagues, call for including the personal accounts, which the gentleman is going to talk about and taking advantage of the enormous power of compound interest to create a nest egg which they will have in conjunction with the Social Security program and that will provide the benefits that we were hearing about earlier tonight that women particularly require. We want to make sure that the program is there. We are looking for a way to strengthen it.

Again, I just thank the gentleman for his persistence on this issue and his continued leadership as we move forward in the debate.

Mr. KOLBE. Again, Mr. Speaker, I thank the gentleman from Minnesota for his participation in this discussion here tonight.

Just moving forward a little bit, and I do want to respond to what my colleague said, it reminds me of some experiences I have had. I have been, as I mentioned, talking about this for a lot of years. And I go into high school audiences, where there are seniors that are old enough to kind of understand the issues involved here, or go into college classes and I ask the same questions every time: How many of you think Social Security will be there when you get ready to retire? I almost never have a single hand that goes up. Never a single hand. So they do sense that there is a problem with it.

And they are exactly right, because the numbers we just ran through, Social Security will not be there for them in the same way that it is today. There is no possible way when they get ready to retire that Social Security will be there in the same form. Something will have changed about it. Their benefits will have been reduced, taxes will be increased, or we will come to some other conclusion about a way to reform Social Security.

So they understand what the issue is. And I think, generally speaking, the American people are coming to understand that.

Mr. Speaker, I am happy to yield to the gentleman once again.

Mr. KLINE. I believe that is true.

As I said in my remarks just a moment ago, I know that that was an anecdote that many of our colleagues have expressed, because they have had the same experience of asking young people, high school seniors, college students, others, if they think Social Security is going to be there when they retire. I have never had a hand, I have had the same experience as the gentleman, I have not been asking the question for as many years, but never a hand goes up where they believe it is going to be there.

And what a shame, because they ought to have a system, all Americans ought to have a system that they can count on and that they believe is going to be there. And until we do something to really strengthen the system, they will not have faith that it is there. And they should not, because without that fix it just will not be there in that manner.

Mr. KOLBE. I appreciate the gentleman's comments, and I think what his experience illustrates, as a newer Member of the Congress, is that if you are out there talking about this issue candidly and honestly with the people you represent, your constituents, they are willing to listen to what you have to say. They will not reject out of hand what you are saying.

So I hope we have been able to dispel the notion that there is no problem out there. I hope we have been able to dispel the idea that we need to do absolutely nothing. We do need to do something to strengthen Social Security to make sure it is there for this generation as well as for the next generation.

So that brings us to the ideas of what can we do to make it work.

□ 2215

Now, as I mentioned earlier, there are three things or variations on three things: raise taxes, decrease benefits, or increase the rate of return on investment that we have in Social Security. I happen to believe that we ought to do a little bit of all of those. If you are going to strengthen Social Security, you need to do a little bit of each of those things.

But the heart of that strengthening is increasing the rate of return on the investment we have, and that is why personal accounts are so important. Now, I have heard it said personal accounts do not fix it, and that is accurate. That is right. I have never said personal accounts fix it. Personal accounts are your link to the next generation because you are going to say to the next generation, look, you are going to have to pay just a little bit more to support this defined benefit, and you are going to get a little bit less.

And so the younger person is going to say, what is in it for me. So we can say there is a chance to have a greater return on investment through a personal account. Even though you are paying a little more taxes and getting a little less benefit from the defined benefit part of Social Security, you are going to have a part of it set aside, and it will grow as the country grows, grows as the economy grows, grows as the world economy grows; and that will yield a retirement that is better even with the reductions we are going to have to force. It is going to be better than what we have today.

So the first principle we have to agree on is we do not do anything to change the benefits of people today who are retired or near retirement get. I do not know of a single plan offered by anybody on this side of the aisle or the plan that I have offered along with that side, the only bipartisan bill which has been introduced in Congress,

none change it for anybody who is over 55. To everybody that is watching this, if they are over the age of 55, you can turn the television set off because this does not affect you. We are not talking about anything that changes your benefits.

Mr. KLINE. Mr. Speaker, I think that it is critical that all of America understands what the gentleman said is accurate. I have a table that my staff keeps updated almost daily as we start to engage in this debate. I do not know of a single proposal, certainly no serious proposal, that alters in any way, in any way the Social Security program for those my age, or 55 and up. It does not change it a bit. It is the same. You get the same check, the same increases. The program is exactly the same. My 84-year-old mother is going to continue to get her checks in exactly the same way she has been getting them for the last 20 years. The program does not change for her.

I think that is a key piece of this overall picture that we are talking about as we move forward in the debate. There are different programs, and the gentleman from Arizona (Mr. KOLBE) has a program he has been working, others have other proposals. Most of those on this side of the aisle correctly create some sort of a personal account, an account that our younger workers can own, that grows, that has the opportunity to give them a greater return than the current system gives them. It gives them something that they own that they can leave to their heirs. No proposal affects the benefits of any current senior whatsoever.

I think it is important that we understand that as we debate the details of the proposals such as the one that my colleague has, and we have that basic understanding that we are talking about no changes for seniors, an opportunity to increase the return, to take advantage of that interest, increase the rate of return for our younger workers. That is the position we are starting from, not the position that we heard earlier in the evening of gutting Social Security, of trying to do something to help the President's buddies and those other unfortunate things we heard earlier. This is about making sure the program is there for our grandkids like it has been there for our parents.

Mr. KOLBE. Mr. Speaker, the gentleman is exactly correct and on target. Obviously, when we talk about personal accounts, it has not always been that Democrats have opposed that. In fact, when President Clinton in the last 2 years of his term, second term in office, was talking about Social Security reform, talking about it honestly and openly, Democrats began to embrace the concept that maybe there ought to be a greater return on investment; maybe some of the money ought to go into a personal account.

Senator REID, now the minority leader in the United States Senate said, ''Most of us have no problem with taking a small amount of the Social Security proceeds and putting it into the private sector.'' He said that on Fox News in 1999. I think the Senator was correct about that. There are similar kinds of things that have been said by other leaders.

The ranking Democrat on the Committee on Ways and Means said at a press conference at the same time, this was the same time the President was talking about Social Security reform, he said, ''I am one Democrat who truly believes that Democrats will not benefit by doing nothing on Social Security.'' So he recognized the problem, and he believed we should do something.

I say if they do not like the plans that are out there, the plan that the gentleman from Florida (Mr. BOYD) and I have introduced, or other plans introduced by the gentleman from Wisconsin (Mr. RYAN) and the gentleman from Florida (Mr. SHAW) and others, fine, but bring something to the floor that we can start this dialogue, that we can begin this debate.

Coming back to the topic of personal accounts, we just heard a few moments ago the gentlewoman from California talk about how Social Security is so important for women, and she is absolutely right. Social Security is important for women, but Social Security is not very good for women right now. One of the reasons it is not so good, it is because they tend to drop out of the workforce at a certain point, when they are raising children, and so they get less from the system when they get ready to retire.

There are a lot of single women who raised their children. I like to use the analogy of the 48-year-old single mother. She got her kids through school and college, worked herself to the bone, and now they are both over the age of 21, and she drops dead of a heart attack at the age of 48. What does Social Security provide? Zero. Not one dime, because her children are over 21. She is not married; there is no spouse. There is not one dime from Social Security.

Now, if a portion of what she had been paying in those taxes had been put into a personal account, she would have owned something. She would have owned something that she could leave to her heirs; and if she forgot to write that will, it still would have gone to her heirs, which would have been her children. That is the magic of personal accounts. They not only provide a greater retirement benefit, but it is an asset that people own. They own it. They can manage it and figure out what to do with it. They can leave it to their heirs. That is the magic of personal accounts.

As I said, it is the link to the next generation because as I said, personal accounts do not fix the problem. Indeed, if we are going to take a carve-out as I think we should because to add it on is to say just a huge new tax on Social Security, a tax to be added as a burden on the people, if we are going to carve it out of the current amount being paid in retirement taxes, we are going to have in a sense a bigger problem, so we have to do something to make it all balance.

Guess what, you can do it, but you have to make some tough choices, and that is what nobody has been willing to do. Particularly as I listened over here, I do not hear anybody willing to make some of those tough choices. What do we do?

Well, the legislation we have introduced does a little bit of everything. We would make some modest reduction to the Consumer Price Index on which the annual cost-of-living adjustment is made, and that is justified by the superlative index which accounts for durable goods lasting longer today. Alan Greenspan has talked about it. It is a little complicated economic issue, but basically the Consumer Price Index today is a little bit out of whack with the reality of where the inflation rate is actually going.

In our bill, we would increase the amount of income subject to taxes, not increase the wage rate because we do not want to say to the person earning $25,000 we are going to increase your Social Security tax, too; you are going to have less take-home pay. But we are going to say to the person who currently makes over $100,000, you are going to pay more tax because we are going to increase the amount of wages subject to taxation. That is legislation that the gentleman from Florida (Mr. BOYD) and I have introduced. This is not necessarily the President's plan or any official plan on this side of the aisle, but I use it only to illustrate if you make some of these choices, you can fix some of these things.

We would also accelerate the retirement age so we take out that 10-year gap from 65 to 67, we take that out so it goes to 67 a little faster. We do not change the retirement age; we just accelerate the speed at which it goes.

We would make some changes to the benefit structure for younger people, people with personal accounts, make some reduction in their benefits; and you can make Social Security solvent not for 10 years, not for 20 years, not for 40 years, and not even for 70 years, which is the only horizon that the Social Security Administration will look at. But economists have looked at ours and the CBO has looked at ours, and they say it goes as far as the eye can see as being solvent. So we can say to younger people, yes, you are going to pay a bit more in taxes, and, yes, you are going to get a little less benefit; but you are going to have retirement that nobody else has had up to this

time. That is what personal accounts do, and that is why I think personal accounts are a critical part of any reform of Social Security.

It is not the be-all, it is not the end-all, it does not answer all of the problems; but it gives some confidence to younger people that there is going to be something in it for them when they get ready to retire. That is why I think the personal accounts are so very important.

Before we wrap up here, let me outline a couple of other ideas.

Again, we are looking at what President Clinton said in that State of the Union address in 1998 where he said, ''We are going to hold a White House conference on Social Security in December, and one year from now I will convene the leaders of Congress to craft bipartisan legislation to achieve a landmark for our generation, a Social Security system that is strong in the 21st century.''

I am sorry to say because of personal things that occurred after that, we never got around to that. The President's clout here in Congress was diminished, his clout with the American people was diminished. He was not able to carry that off. There is no doubt it takes a great deal of Presidential leadership to carry that out, but President Clinton knew what the problem was, and he identified it at that time.

Much more recently, in fact just today, just today in testimony before the Committee on the Budget, Alan Greenspan, the chairman of the Federal Reserve Board, said, ''In my view, a retirement system with a significant personal account component would provide a more credible means of ensuring that the program actually adds overall saving and in turn boosts the Nation capital stock.'' That is a little bit of economic legalese there, but he is basically saying it is a better way and it adds on the total savings that the United States has if you have personal accounts.

The thing that is important about personal accounts is they belong to every individual and they can be tailored. They can change as circumstances change.

The gentleman from Minnesota (Mr. KLINE) knows this. As Members of Congress, we have exactly what we are talking about doing for Social Security. It is called the Thrift Savings Plan, and all Federal employees have it.

□ 2230

It is a piece of our retirement and it is money that we put in out of our wages that is matched in part by our employer, which in this case is the House of Representatives, and it goes into a personal account that belongs to us and we get a statement every year that tells how much we have invested and we have some choices about where we invest that. No, we do not go out and have to ponder every night looking over the stock pages and deciding which stock to buy because it goes into index funds. We can choose a stock index fund where it buys every stock in that index, we can choose a bond index fund where it buys every bond in that index, or we can choose a Treasury bill.

Want low risk? You have got to assume that Treasury bills are probably the safest thing. The government is not going bankrupt. I think we believe that. The government is not going bankrupt. So you can buy a Treasury bill index fund where it buys all the Treasury bills, medium, short, long-term Treasury bills. It has a lower rate of return, but it is absolutely safe. The nice thing is that as you get close to retirement, you can start to shift that from one account to the other. That is exactly what I have done with mine. I want less volatility. I am getting closer to the age of retirement. I want less volatility, so I moved some of it out of the stock index fund into the Treasury bill fund. That is the beauty of this is it gives you some choices to plan for your own retirement. Social Security does not give you that.

Mr. KLINE. If the gentleman will yield, I would like to take this opportunity to go back to the point that the gentleman made earlier in his example of the 48-year-old single mother. The gentleman from Arizona and I are paying in to Social Security. We are in the Social Security retirement system.

We also have the Thrift Savings Plan that he just described. Should I die today, I would not be able to leave for my children or my grandchildren anything out of the money that I have paid for many years, not quite as many as the gentleman but many years into Social Security, but I can leave and I will leave the money that is in that Thrift Savings Plan because I own it. And it underscores the point that the gentleman made earlier, that one of the terrific benefits about having a system that strengthens Social Security, that has a personal account as a component of that is that that money is absolutely yours, and I believe that in all the proposals that we are going to be debating put forward by the gentleman that we have talked about earlier, that account is owned by the individual and they can leave it to their heirs when they die.

It is a major difference between this proposal and the current system. While it is providing wonderful paychecks for my mother, she does not own that. And I want my children and my grandchildren to own something that is part of their retirement system. Unfortunately, as we said earlier, for those that are 55 and up, we cannot strengthen that program for them. Nothing in the system is going to change for them. Nothing. It is not going to get better. It is not going to get worse. It is exactly the same. But for my kids and my grandkids, what a wonderful thing to have as part of their Social Security an account that they will own like the one that the gentleman was describing, the Thrift Savings Plan that can be tailored to their needs and their age and they will own. They can use it in their retirement or they can leave it to their heirs. I just wanted to step in at that moment to see if we could not underscore the important difference between having an account that you own and one that you do not.

Mr. KOLBE. This discussion about the personal accounts and the kinds of index funds they might be invested in leads me to the two kind of final points that I wanted to make here tonight. We heard on the other side, and the gentleman talked about this a moment ago, the comment that was made tonight saying this is being done for the President's buddies on Wall Street. The truth of the matter is, I have been working at this thing for 8 years with a bill. I have never heard from Wall Street on this. The reason is simple. There really is not much in it for Wall Street. Why? Because you are investing in index funds. My colleague may not know this, and I certainly know that a lot of the American people do not understand this, but the Thrift Savings Plan, the one that he and I are a member of, the management fee for that is two basis points. That is two hundredths of 1 percent. That is what the Wall Street manager gets, two one-hundredths of 1 percent of the assets for management of that.

Why is it so low? That is obviously a fraction of what any IRA or any mutual fund that most people have some kind of an investment in, it is a fraction of that. Why is it so low? Because it is an index fund. You are not doing research. You are not making choices about investments. You are buying every stock in the index fund and so each month when more money comes into the fund, you simply execute buy orders for the funds and as you have to sell it for retirement benefits, you execute sell orders for it. It is very simple in that sense. That is why the management cost is so very, very low. I know we are going to continue to hear that bogus argument, but it is absolutely bogus. It is absolutely false. The one other argument that I wanted to address is the gentleman said earlier on the other side, made this point, why introduce risk in the only guarantee that we have. Well, Social Security has undergone more than 50 changes. I think it is actually a lot more than that, but I know it is more than 50 changes since we introduced it in the 1930s. Fifty times Congress has come along and made changes to it, changed the taxes, changed the benefits. We have changed it and added disability. We have changed it in one way or the other.

So if you want to talk about risk in Social Security, then talk about leaving it in the hands of Congress. That is why the personal savings account eliminates that risk, because it belongs to you. Congress cannot take it away. You have ownership of it and we cannot take it away from you. That is why I think the personal savings accounts are so very, very important. So if we want to talk about risk and we want to talk about reducing risk, let us talk about ways in which we can make sure that people have control over some part and we are only talking about a very small part of the total amount being paid in Social Security taxes, because if I have not made this clear this evening, all the plans we are talking about leave the vast majority of the taxes in the current system, so that it pays beneficiaries today and is going to pay beneficiaries in the future the same kinds of defined benefit that we now get from Social Security.

Mr. Speaker, I appreciate this opportunity this evening to have this dialogue with my friend from Minnesota. I appreciate his comments and I appreciate the passion with which he approaches this issue. I think we both know this is one of the most significant debates I think we will ever have in our lives in this legislative body, because I think it says a great deal not just about the future of Social Security, but it says a great deal about whether we as a Congress are going to have the will to tackle the really tough problems which face us. Social Security, believe it or not, is one of the easier ones. We have to get to Medicare to really look at the very difficult problems that we are facing. But if we can show we have the will to come together and find solutions to strengthening and making Social Security a better retirement system, then I think we can go on to finding ways to strengthen and make Medicare a better health care system for our senior citizens. That is why I know the gentleman from Minnesota is down here tonight, because he believes that and he believes that is exactly what we must do and I believe it very strongly.

In my heart of hearts, I believe that what we are doing here today is to help preserve this system for those who are already retired but also to say to the next generation, we believe that you too should be able to benefit from a retirement system, a Social Security system that will be there for you when you get ready to retire. I believe that this dialogue needs to continue. We have started it this evening, we have joined this debate, and I hope we can have more discussion of these issues, not just with Republicans on one side of the aisle, not just with Democrats on the other side of the aisle but coming together here to carry on these debates and this discussion together and perhaps we can find some kinds of ways in which we can have the solution. I thank the gentleman for his participation.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. KUHL of New York). Members are reminded to direct their remarks to the Chair and not to the television audience.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. GENE GREEN of Texas) to revise and extend their remarks and include extraneous material:)

Ms. WOOLSEY, for 5 minutes, today.

Mr. DEFAZIO, for 5 minutes, today.

Mr. GENE GREEN of Texas, for 5 minutes, today.

Mr. BROWN of Ohio, for 5 minutes, today.

Mr. PALLONE, for 5 minutes, today.

Mr. DAVIS of Illinois, for 5 minutes, today.

Mr. CUMMINGS, for 5 minutes, today.

Mr. MEEHAN, for 5 minutes, today.

Ms. KILPATRICK of Michigan, for 5 minutes, today.

(The following Members (at the request of Mr. GOHMERT) to revise and extend their remarks and include extraneous material:)

Mr. GINGREY, for 5 minutes, today.

Mr. FLAKE, for 5 minutes, today.

Mr. BOUSTANY, for 5 minutes, today.

Mr. ROHRABACHER, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. RANGEL, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. MCDERMOTT, and to include extraneous material, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $1,919.

ADJOURNMENT

Mr. KOLBE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 38 minutes p.m.), the House adjourned until tomorrow, Thursday, March 3, 2005, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

960. A letter from the Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Pittsfield and Easthampton, Massachusetts, and Malta, New York) [MB Docket No. 04-67; RM-10856] received February 9, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

961. A letter from the Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b) Table of Allotments, FM Broadcast Stations (Nevada City, California) [MB Docket No. 04-338; RM-11061] received February 9, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

962. A letter from the Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b) Table of Allotments, FM Broadcast Stations (Clayton and Raton, New Mexico) [MB Docket No. 04-220; RM-10861] received February 9, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

963. A letter from the Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.622(b), Table of Allotments, Digital Television Broadcast Stations (Medical Lake, Washington) [MB Docket No. 04-250; RM-11006] received February 9, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

964. A letter from the Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.622(b), Table of Allotments, Digital Television Broadcast Stations (Great Falls, Montana) [MB Docket No. 04-182; RM-10963] received February 9, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

965. A letter from the Senior Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Children's Television Obiligations Of Digital Television Broadcasters [MM Docket No. 00-167] received February 9, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

966. A letter from the Deputy Bureau Chief, CGB, Federal Communications Commission, transmitting the Commission's final rule—Rules and Regulations Implementing the Telephone Consumer Protection Act of 1991 [CG Docket No. 02-278] received February 9, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

967. A letter from the Secretary, Department of Agriculture, transmitting the semiannual report of the Inspector General for the 6-month period ending September 30, 2004, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

968. A letter from the Assistant Secretary for Administration and Management, Department of Labor, transmitting the report listing the amount of acquisitions made by the Department from entities that manufacture articles, materials, or supplies outside of the United States for FY 2004, pursuant to Public Law 108–199, section 645; to the Committee on Government Reform.

969. A letter from the Chairman, Federal Deposit Insurance Corporation, transmitting the Strategic Plan of the Federal Deposit Insurance Corporation for the years 2005 through 2010, in accordance with the Government Performance and Results Act of 1993; to the Committee on Government Reform.

970. A letter from the Executive Director, National Council on Disability, transmitting the Council's Annual Performance Report to the President and Congress Fiscal Year 2002, as required by the Government Performance and Results Act, pursuant to 31 U.S.C. 1116; to the Committee on Government Reform.

971. A letter from the President and Chief Executive Officer, Little League Baseball, transmitting the Annual Report of Little League Baseball, Incorporated for the fiscal year ending September 30, 2004, pursuant to 36 U.S.C. 1084(b); to the Committee on the Judiciary.

972. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule—Drawbridge Operation Regulations: Long Island, New York Inland Waterway from East Rockaway Inlet to Shinnecock Canal, NY [CGD01-05-008] received February 24, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

973. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule—Drawbridge Operation Regulations: Fore River, ME [CGD01-05-007] received February 24, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

974. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule—Drawbridge Operation Regulations: Raritan River, NJ [CGD01-05-013] received February 24, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

975. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule—Drawbridge Operation Regulations; Sacramento River, Sacramento, CA [CGD11-05-009] received February 24, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

976. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule—Drawbridge Operation Regulations; Mitchell River, MA [CGD01-05-006] (RIN: 1625-AA09) received February 24, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

977. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule—Drawbridge Operation Regulation; Gulf Intracoastal Waterway, Cypremort, LA [CGD08-04-042] (RIN: 1625-AA09) received February 24, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

978. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule—Drawbridge Operation Regulation; St. Croix River, MN [CGD08-04-036] (RIN: 1625-AA09) received February 24, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

979. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule—Drawbridge Operation Regulations; Mantua Creek, Paulsboro, NJ [CGD05-04-179] (RIN: 1625-AA09) received February 24, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

980. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule—Safety Zone; Upper Chesapeake Bay and its tributaries and the C&D Canal, Maryland, Virginia, and Washington, D.C. [CGD05-05-008] (RIN: 1625-AA00) received February 24, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

981. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule—Safety Zones; Gulf of Alaska, Narrow Cape, Kodiak Island, AK [COTP Western Alaska-05-002] (RIN: 1625-AA00) received February 24, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

982. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule—Safety Zone; Gulf of Alaska, Sitkinak Island, Kodiak Island, AK [COTP Western Alaska-05-001] (RIN: 1625-AA00) received February 24, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

983. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 757-200, -200PF, -200CB, and -300 Series Airplanes [Docket No. 2001-NM-74-AD; Amendment 39-13861; AD 2004-23-06] (RIN: 2120-AA64) received February 8, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

984. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Rolls-Royce plc RB211 Trent 875, 877, 884, 884B, 892, 892B, 895 Series Turbofan Engines [Docket No. 2001-NE-17-AD; Amendment 39-13940; AD 2005-01-15] (RIN: 2120-AA64) received February 8, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

985. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Empresa Brasiliera de Aeronautica S.A. (EMBRAER) Model EMB-135 and -145 Series Airplanes [Docket No. FAA-2004-19050; Directorate Identifier 2004-NM-139-AD; Amendment 39-13900; AD 2004-25-12] received February 8, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

986. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Pratt & Whitney JT8D-200 Series Turbofan Engines [Docket No. 92-ANE-15-AD; Amendment 39-13916; AD 2004-26-04] (RIN: 2120-AA64) received February 8, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

987. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A319 and A320-200 Series Airplanes [Docket No. 2003-NM-135-AD; Amendment 39-13925; AD 2005-01-01] (RIN: 2120-AA64) received February 8, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

988. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 747-100, -100B, -100B SUD, -200B, -200C, -200F, and -300 Series Airplanes; and Model 747SP and 747SR Series Airplanes; Equipped with Pratt & Whitney JT9D-3 and -7 (except -70) Series Engines or General Electric CF6-50 Series Engines with Modified JT9D-7 Inboard Struts [Docket No. FAA-2004-19200; Directorate Identifier 2003-NM-195-AD; Amendment 39-13927; AD 2005-01-03] (RIN: 2120-AA64) received February 8, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

989. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Lockheed Model 1329 Series Airplanes [Docket No. FAA-2004-18557; Directorate Identifier 2003-NM-174-AD; Amendment 39-13926; AD 2005-01-02] (RIN: 2120-AA64) received February 8, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

990. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A320 Series Airplanes [Docket No. FAA-2004-18773; Directorate Identifier 2002-NM-312-AD; Amendment 39-13889; AD 2004-25-02] (RIN: 2120-AA64) received February 8, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

991. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 757-200 and -200PF Series Airplanes [Docket No. FAA-2005-20009; Directorate Identifier 2003-NM-220-AD; Amendment 39-13937; AD 94-01-10 R2] (RIN: 2120-AA64) received February 8, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

992. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Raytheon Aircraft Company (Raytheon) Beech 200 Series Airplanes [Docket No. FAA-2004-19078; Directorate Identifier 98-CE-17-AD; Amendment 39-13946; AD 98-20-38 R1] (RIN: 2120-AA64) received February 8, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

993. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Empresa Brasiliera de Aeronautica S.A. (EMBRAER) Model EMB-135 and EMB-145 Series Airplanes [Docket No. FAA-2004-18752; Directorate Identifier 2004-NM-107-AD; Amendment 39-13929; AD 2005-01-05] (RIN: 2120-AA64) received February 8, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

994. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 767-300 and 767-300F Series Airplanes Equipped with General Electric or Pratt & Whitney Engines [Docket No. 2003-NM-186-AD; Amendment 39-13918; AD 2004-26-06] (RIN: 2120-AA64) received February 8, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

995. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Rolls-Royce Corporation (formerly Allison Engine Company, Allison Gas Turbine Division, and Detriot Diesel Allison) 250-B and 250-C Series Turboprop and Turboshaft Engines [Docket No. FAA-2004-18515; Directorate Identifier 2004-NE-12-AD; Amendment 39-13921; AD 2004-26-09] (RIN: 2120-AA64) received February 8, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

996. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A320 Series Airplanes [Docket No. FAA-2004-18771; Directorate Identifier 2002-NM-313-AD; Amendment 39-13890; AD 2004-25-03] (RIN: 2120-AA64) received February 8, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

997. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; McDonnell Douglas Model MD-10-10F, MD-10-30F, MD-11F, DC-10-10F, and DC-10-30F Airplanes [Docket No. FAA-2005-20117; Directorate Identifier 2004-NM-248-AD; Amendment 39-13949; AD 2005-02-04] (RIN: 2120-AA64) received February 8, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

998. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Bombardier Model CL-215-6B11 (CL215T Variant) and CL-215-6B11 (CL415 Variant) Series Airplanes [Docket No. FAA-2004-19496; Directorate Identifier 2003-NM-181-AD; Amendment 39-13920; AD 2004-26-08] (RIN: 2120-AA64) received February 8, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

999. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 767-200, -300, -300F Series Airplanes [Docket No. FAA-2004-18786; Directorate Identifier 2004-NM-26-AD; Amendment 39-13947; AD 2005-02-02] (RIN: 2120-AA64) received February 8, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1000. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Bell Helicopter Textron Canada Model 222, 222B, 222U, 230, and 430 Helicopters [Docket No. FAA-2004-19969; Directorate Identifier 2004-SW-43-AD; Amendment 39-13923; AD 2004-26-11] (RIN: 2120-AA64) received February 8, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1001. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; The Lancair Company Models LC40-550FG and LC42-550FG Airplanes [Docket No. FAA-2005-20048; Directorate Identifier 2005-CE-01-AD; Amendment 39-13945; AD 2005-02-01] (RIN: 2120-AA64) received February 8, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1002. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Raytheon Aircraft Company Beech 100, 200, and 300 Series Airplanes [Docket No. 2004-CE-01-AD; Amendment 39-13943; AD 2005-01-18] (RIN: 2120-AA64) received February 8, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1003. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 767-200, -300, and -300F Series Airplanes [Docket No. 2000-NM-409-AD; Amendment 39-13853; AD 2004-22-25] (RIN: 2120-AA64) received February 8, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1004. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A310 Series Airplanes; and Model A300 B4-600, B4-600R, and F4-600R Series Airplanes, and Model C4 605R Variant F Airplanes (Collectively Called A300-600) [Docket No. FAA-2004-19527; Directorate Identifier 2004-NM-71-AD; Amendment 39-13932; AD 2005-01-08] (RIN: 2120-AA64) received February 8, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1005. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; EXTRA Flugzeugbau GmbH Model EA-300 and EA-300/S Airplanes [Docket No. FAA-2004-19443; Directorate Identifer 2004-CE-32-AD; Amendment 39-13942; AD 2005-01-017] (RIN: 2120-AA64) received February 8, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1006. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; The New Piper Aircraft, Inc. Models PA-23-235, PA-23-250, and PA-E23-250 Airplanes [Docket No. FAA-2004-18597; Directorate Identifier 2004-CE-21-AD; Amendment 39-13934; AD 2005-01-10] (RIN: 2120-AA64) received February 8, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1007. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Gulfstream Aerospace LP Model Gulfstream 100 Airplanes; and Model Astra SPX and 1125 Westwind Astra Series Airplanes [Docket No. FAA-2004-19138; Directorate Identifier 2004-NM-102-AD; Amendment 39-13888; AD 2004-25-01] (RIN: 2120-AA64) received February 8, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1008. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; GARMIN International Inc. GTX 33, GTX 33D, GTX 330, and GTX 330D Mode S Transponders [Docket No. FAA-2004-18743; Directorate Identifier 2004-CE-23-AD; Amendment 39-13944; AD 2005-01-19] (RIN: 2120-AA64) received February 8, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1009. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 757-200, -200PF, and -200CB Series Airplanes [Docket No. 2003-NM-166-AD; Amendment 39-13936; AD 2005-01-12] (RIN: 2120-AA64) received February 8, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1010. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 767-300 Series Airplanes [Docket No. FAA-2005-20010; Directorate Identifier 2003-NM-224-AD; Amendment 39-13938; AD 2005-01-13] (RIN: 2120-AA64) received February 8, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1011. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Bombardier-Rotax GmbH Type 912 F, 912 S, and 914 F Series Reciprocating Engines [Docket No. 2002-NE-33-AD; Amendment 39-13939; AD 2005-01-14] (RIN: 2120-AA64) received February 8, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1012. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Pratt & Whitney JT8D-200 Series Turbofan Engines; Correction [Docket No. 92-ANE-15-AD; Amendment 39-13916; AD 2004-26-04] (RIN: 2120-AA64) received February 8, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1013. A letter from the Secretary, Department of Health and Human Services, transmitting a report on the effects of allowing high deductible insurance plans combined with tax favored Medical Savings Account (MSAs) under Medicare, as mandated by the Balanced Budget Act of 1997; jointly to the Committees on Energy and Commerce and Ways and Means.

1014. A letter from the Acting Inspector General, Department of Health and Human Services, transmitting a report on the study of the appropriateness of alternative Medicare payment methodologies for the costs of training medical residents in nonhospital settings together with recommendations as determined by the Inspector General to be appropriate, pursuant to Public Law 108—173; jointly to the Committees on Energy and Commerce and Ways and Means.

1015. A letter from the Special Inspector General for Iraq Reconstruction, transmitting the combined Quarterly Report and Semiannual Report to Congress, pursuant to Section 3001(i) of Title III of the 2004 Emergency Supplemental Appropriations for Defense and for the Reconstruction of Iraq and Afghanistan (Pub. L. 108-106) as amended by Pub. L. 108-375, and the Inspector General Act of 1978 (Pub. L. 95-452); jointly to the Committees on International Relations and Appropriations.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. SMITH of Texas (for himself and Mr. BERMAN):

H.R. 1036. A bill to amend title 17, United States Code, to make technical corrections relating to copyright royalty judges; to the Committee on the Judiciary.

By Mr. SMITH of Texas (for himself and Mr. BERMAN):

H.R. 1037. A bill to make technical corrections to title 17, United States Code; to the Committee on the Judiciary.

By Mr. SENSENBRENNER:

H.R. 1038. A bill to amend title 28, United States Code, to allow a judge to whom a case is transferred to retain jurisdiction over certain multidistrict litigation cases for trial,

and for other purposes; to the Committee on the Judiciary.

By Mr. PICKERING (for himself, Mr. BERRY, Mr. NUNES, Mr. HOLDEN, Mr. MORAN of Kansas, and Ms. HERSETH):

H.R. 1039. A bill to suspend temporarily new shipper bonding privileges; to the Committee on Ways and Means.

By Mr. BURGESS (for himself, Mr. HALL, Mr. BONILLA, Mr. SCOTT of Georgia, and Mr. MCCAUL of Texas):

H.R. 1040. A bill to amend the Internal Revenue Code of 1986 to provide taxpayers a flat tax alternative to the current income tax system; to the Committee on Ways and Means.

By Mr. WELLER (for himself and Mr. BROWN of Ohio):

H.R. 1041. A bill to amend the Social Security Act to provide each American child with a KidSave Account, and for other purposes; to the Committee on Ways and Means.

By Mr. BACHUS (for himself, Mr. SANDERS, Mr. ROYCE, Mr. KANJORSKI, Mr. LATOURETTE, Mr. GUTIERREZ, Mrs. KELLY, Mrs. MALONEY, Mr. RENZI, Mrs. MCCARTHY, Mr. SHERMAN, Mr. NEY, Mr. FEENEY, Ms. HOOLEY, Ms. GINNY BROWN-WAITE of Florida, and Mr. MOORE of Kansas):

H.R. 1042. A bill to amend the Federal Credit Union Act to clarify the definition of net worth under certain circumstances for purposes of the prompt corrective action authority of the National Credit Union Administration Board, and for other purposes; to the Committee on Financial Services.

By Mr. BILIRAKIS (for himself and Ms. DEGETTE):

H.R. 1043. A bill to provide additional authority to the Office of Ombudsman of the Environmental Protection Agency; to the Committee on Energy and Commerce.

By Mrs. CAPITO:

H.R. 1044. A bill to amend title 23, United States Code, to permit the State of West Virginia to allow the operation of certain vehicles for the hauling of coal and coal by-products on Interstate Route 77 in Kanawha County, West Virginia; to the Committee on Transportation and Infrastructure.

By Mr. COSTELLO:

H.R. 1045. A bill to extend the filing deadline for certain Medicare claims to account for a delay in processing adjustments from secondary payor status to primary payor status; to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. CUBIN:

H.R. 1046. A bill to authorize the Secretary of the Interior to contract with the city of Cheyenne, Wyoming, for the storage of the city's water in the Kendrick Project, Wyoming; to the Committee on Resources.

By Mr. TOM DAVIS of Virginia (for himself, Mr. GOODE, Mr. MORAN of Virginia, Mr. GOODLATTE, Mr. BOUCHER, Mr. CANTOR, Mrs. DRAKE, Mr. WOLF, and Ms. NORTON):

H.R. 1047. A bill to require the Secretary of the Treasury to mint coins in commemoration of the tragic loss of lives at the Pentagon on September 11, 2001, and to support construction of the Pentagon 9/11 Memorial in Arlington, Virginia; to the Committee on Financial Services.

By Mr. EMANUEL (for himself and Mr. COOPER):

H.R. 1048. A bill to amend the Internal Revenue Code of 1986 to allow taxpayers to split refunds and make deposits electronically among certain accounts; to the Committee on Ways and Means.

By Mr. ENGLISH of Pennsylvania (for himself, Mr. DAVIS of Tennessee, Mr. LEWIS of Kentucky, and Mr. SOUDER):

H.R. 1049. A bill to amend the Internal Revenue Code of 1986 to exclude certain truck tractors from the Federal excise tax on heavy trucks and trailers sold at retail; to the Committee on Ways and Means.

By Ms. LEE:

H.R. 1050. A bill to establish a living wage, jobs for all policy for all peoples in the United States and its territories, and for other purposes; to the Committee on Education and the Workforce, and in addition to the Committees on the Budget, Armed Services, and Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. FALEOMAVAEGA:

H.R. 1051. A bill to authorize the extension of the supplemental security income program to American Samoa; to the Committee on Ways and Means.

By Mr. FRANK of Massachusetts:

H.R. 1052. A bill to amend titles XVIII and XIX of the Social Security Act to provide for coverage under the Medicare and Medicaid Programs of incontinence undergarments; to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. GERLACH (for himself, Ms. HARMAN, Mr. WELDON of Pennsylvania, Mr. KENNEDY of Minnesota, Ms. KAPTUR, and Mr. BURTON of Indiana):

H.R. 1053. A bill to authorize the extension of nondiscriminatory treatment (normal trade relations treatment) to the products of Ukraine; to the Committee on Ways and Means.

By Mr. GREEN of Wisconsin:

H.R. 1054. A bill to establish the Office of Faith-Based and Community Initiatives; to the Committee on Government Reform.

By Ms. HOOLEY:

H.R. 1055. A bill to provide for the designation and funding of high intensity methamphetamine abuse and trafficking areas; to the Committee on Energy and Commerce, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. HOOLEY:

H.R. 1056. A bill to amend the Controlled Substances Act with respect to the distribution of pseudoephedrine, and for other purposes; to the Committee on Energy and Commerce, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. KING of New York (for himself, Mrs. MALONEY, Mr. TOM DAVIS of Virginia, and Mr. ENGEL):

H.R. 1057. A bill to award a congressional gold medal on behalf of all government workers and others who responded to the attacks on the World Trade Center and the Pentagon and perished and people aboard United Airlines Flight 93 who helped resist the highjackers and caused the plane to crash, to award a duplicate in silver of such gold medals to the personal respresentative of each such person, to require the Secretary of Treasury to mint coins in commemoration of the Spirit of America, recognizing the tragic events of September 11, 2001, and for other purposes; to the Committee on Financial Services.

By Mrs. MCCARTHY (for herself, Mr. ANDREWS, Ms. WOOLSEY, and Mr. KILDEE):

H.R. 1058. A bill to amend the Employee Retirement Income Security Act of 1974 to ensure that employees are not improperly disqualified from benefits under pension plans and welfare plans based on the misclassification or reclassification of their status; to the Committee on Education and the Workforce.

By Mr. MEEHAN (for himself, Mr. ABERCROMBIE, Mr. ACKERMAN, Ms. BALDWIN, Mr. BECERRA, Mr. BERMAN, Ms. BERKLEY, Mr. BLUMENAUER, Mr. BRADY of Pennsylvania, Mr. CAPUANO, Mrs. CAPPS, Mr. CROWLEY, Mr. DAVIS of Illinois, Ms. DEGETTE, Mr. DELAHUNT, Ms. DELAURO, Mr. ENGEL, Mr. FARR, Mr. FRANK of Massachusetts, Ms. HARMAN, Mr. HINCHEY, Ms. NORTON, Mr. HOLT, Mr. HONDA, Mr. ISRAEL, Mr. JACKSON of Illinois, Ms. JACKSON-LEE of Texas, Mr. KUCINICH, Mr. LANGEVIN, Mr. LANTOS, Mr. LEWIS of Georgia, Ms. LEE, Ms. ZOE LOFGREN of California, Ms. MCCOLLUM of Minnesota, Mr. MCDERMOTT, Mr. MCGOVERN, Mr. GEORGE MILLER of California, Mr. MORAN of Virginia, Mr. NADLER, Mr. OBERSTAR, Mr. OLVER, Mr. PALLONE, Ms. ROYBAL-ALLARD, Ms. LINDA T. SÁNCHEZ of California, Mr. SANDERS, Ms. SCHAKOWSKY, Mr. SHAYS, Ms. SOLIS, Mr. STARK, Mrs. TAUSCHER, Mr. UDALL of Colorado, Mr. VAN HOLLEN, Ms. WATERS, Ms. WATSON, Mr. WAXMAN, Mr. WEXLER, and Ms. WOOLSEY):

H.R. 1059. A bill to amend title 10, United States Code, to enhance the readiness of the Armed Forces by replacing the current policy concerning homosexuality in the Armed Forces, referred to as ''Don't Ask, Don't Tell'', with a policy of nondiscrimination on the basis of sexual orientation; to the Committee on Armed Services.

By Ms. NORTON:

H.R. 1060. A bill to amend the Elementary and Secondary Education Act of 1965 to encourage the implementation or expansion of prekindergarten programs for students 4 years of age or younger; to the Committee on Education and the Workforce.

By Mr. ROHRABACHER:

H.R. 1061. A bill to prohibit United States assistance to the Federal Democratic Republic of Ethiopia until the Ethiopian Government returns all property of United States citizens and entities that has been nationalized, expropriated, or otherwise seized by the Ethiopian Government in contravention of international law, and for other purposes; to the Committee on International Relations, and in addition to the Committee on Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SHAW (for himself, Mr. HERGER, Mr. RAMSTAD, Mr. SAM JOHNSON of Texas, Mr. ENGLISH of

Pennsylvania, Mr. HAYWORTH, Mr. FOLEY, and Mr. SESSIONS):

H.R. 1062. A bill to amend the Internal Revenue Code of 1986 to provide a shorter recovery period for the depreciation of certain improvements to retail space; to the Committee on Ways and Means.

By Mr. SHAW (for himself, Mr. TAYLOR of Mississippi, Mr. PUTNAM, Mr. BOSWELL, Mr. RYAN of Wisconsin, and Mr. KIND):

H.R. 1063. A bill to amend the Internal Revenue Code to restore equity and complete the transfer of motor fuel excise taxes attributable to motorboat and small engine fuels into the Aquatic Resources Trust Fund, and for other purposes; to the Committee on Ways and Means.

By Mr. SIMPSON:

H.R. 1064. A bill to remove the authority of the Ninth Circuit Court of Appeals to sit en banc with fewer than all circuit judges in regular active service; to the Committee on the Judiciary.

By Mr. STEARNS (for himself, Ms. SCHAKOWSKY, and Mr. BROWN of Ohio):

H.R. 1065. A bill to establish the United States Boxing Commission to protect the general welfare of boxers and to ensure fairness in the sport of professional boxing; to the Committee on Energy and Commerce, and in addition to the Committee on Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SANDERS (for himself and Mr. PAUL):

H.J. Res. 27. A joint resolution withdrawing the approval of the United States from the Agreement establishing the World Trade Organization; to the Committee on Ways and Means.

By Mr. JACKSON of Illinois (for himself, Mr. BISHOP of Georgia, Ms. CORRINE BROWN of Florida, Mr. BUTTERFIELD, Ms. CARSON, Mrs. CHRISTENSEN, Mr. CLAY, Mr. CLYBURN, Mr. CONYERS, Mr. CUMMINGS, Mr. FATTAH, Mr. FORD, Mr. GUTIERREZ, Mr. HASTINGS of Florida, Mr. HINCHEY, Ms. JACKSON-LEE of Texas, Mr. JEFFERSON, Ms. EDDIE BERNICE JOHNSON of Texas, Mrs. JONES of Ohio, Ms. KAPTUR, Mr. KENNEDY of Rhode Island, Ms. KILPATRICK of Michigan, Mr. KUCINICH, Ms. LEE, Mr. LEWIS of Georgia, Mr. MEEK of Florida, Mr. MEEKS of New York, Mrs. NAPOLITANO, Ms. NORTON, Mr. OWENS, Mr. PAYNE, Mr. RANGEL, Mr. RUSH, Mr. SANDERS, Mr. SCOTT of Georgia, Mr. SCOTT of Virginia, Mr. SERRANO, Mr. STARK, Mr. THOMPSON of Mississippi, Mr. TOWNS, Ms. VELÁZQUEZ, Ms. WATERS, Ms. WATSON, Mr. WATT, Ms. WOOLSEY, Mr. WYNN, Ms. MCKINNEY, Mr. CLEAVER, Mr. DAVIS of Illinois, Ms. SCHAKOWSKY, Mr. RYAN of Ohio, Ms. MILLENDER-MCDONALD, Mr. AL GREEN of Texas, Mr. HOLT, and Mr. DAVIS of Alabama):

H.J. Res. 28. A joint resolution proposing an amendment to the Constitution of the United States regarding the right to vote; to the Committee on the Judiciary.

By Mr. JACKSON of Illinois (for himself, Ms. CARSON, Mrs. CHRISTENSEN, Mr. CLAY, Mr. CLYBURN, Mr. CONYERS, Mr. CUMMINGS, Mr. FATTAH, Mr. FORD, Mr. GUTIERREZ, Mr. JEFFERSON, Ms. EDDIE BERNICE JOHNSON of Texas, Mrs. JONES of Ohio, Mr. KENNEDY of Rhode Island, Ms. KILPATRICK of Michigan, Mr. KUCINICH, Mr. LEWIS of Georgia, Mr. MEEK of Florida, Mr. OWENS, Mr. RUSH, Mr. SCOTT of Georgia, Mr. SERRANO, Mr. THOMPSON of Mississippi, Ms. VELÁZQUEZ, Ms. WATERS, Ms. WATSON, Mr. WATT, Ms. MCKINNEY, Mr. CLEAVER, Mr. RYAN of Ohio, Ms. MILLENDER-MCDONALD, and Mr. AL GREEN of Texas):

H.J. Res. 29. A joint resolution proposing an amendment to the Constitution of the United States regarding the right of all citizens of the United States to a public education of equal high quality; to the Committee on the Judiciary.

By Mr. JACKSON of Illinois (for himself, Mr. STARK, Ms. CARSON, Mrs. CHRISTENSEN, Mr. CLYBURN, Mr. CONYERS, Mr. CUMMINGS, Mr. FATTAH, Mr. GUTIERREZ, Mr. JEFFERSON, Ms. EDDIE BERNICE JOHNSON of Texas, Mrs. JONES of Ohio, Mr. KENNEDY of Rhode Island, Mr. KUCINICH, Mr. MEEK of Florida, Mr. OWENS, Mr. RUSH, Mr. SERRANO, Mr. THOMPSON of Mississippi, Ms. VELÁZQUEZ, Ms. WATERS, Ms. WATSON, Mr. WATT, Ms. MCKINNEY, Mr. CLEAVER, Ms. SCHAKOWSKY, Mr. RYAN of Ohio, Ms. MILLENDER-MCDONALD, and Mr. AL GREEN of Texas):

H.J. Res. 30. A joint resolution proposing an amendment to the Constitution of the United States regarding the right of citizens of the United States to health care of equal high quality; to the Committee on the Judiciary.

By Mr. JACKSON of Illinois:

H.J. Res. 31. A joint resolution proposing an amendment to the Constitution of the United States relating to equality of rights and reproductive rights; to the Committee on the Judiciary.

By Mr. JACKSON of Illinois:

H.J. Res. 32. A joint resolution proposing an amendment to the Constitution of the United States respecting the right to decent, safe, sanitary, and affordable housing; to the Committee on the Judiciary.

By Mr. JACKSON of Illinois:

H.J. Res. 33. A joint resolution proposing an amendment to the Constitution of the United States respecting the right to a clean, safe, and sustainable environment; to the Committee on the Judiciary.

By Mr. JACKSON of Illinois:

H.J. Res. 34. A joint resolution proposing an amendment to the Constitution of the United States relative to taxing the people of the United States progressively; to the Committee on the Judiciary.

By Mr. JACKSON of Illinois:

H.J. Res. 35. A joint resolution proposing an amendment to the Constitution of the United States respecting the right to full employment and balanced growth; to the Committee on the Judiciary.

By Mr. JACKSON of Illinois (for himself and Mr. FRANK of Massachusetts):

H.J. Res. 36. A joint resolution proposing an amendment to the Constitution of the United States to abolish the Electoral College and provide for the direct election of the President and Vice President by the popular vote of all citizens of the United States regardless of place of residence; to the Committee on the Judiciary.

By Mr. MENENDEZ (for himself, Ms. ROS-LEHTINEN, Mr. LANTOS, Mr. LINCOLN DIAZ-BALART of Florida, Mr. MARIO DIAZ-BALART of Florida, Mr. SMITH of New Jersey, Mr. BURTON of Indiana, and Mr. HYDE):

H. Con. Res. 81. Concurrent resolution expressing the sense of Congress regarding the two-year anniversary of the human rights crackdown in Cuba; to the Committee on International Relations.

By Mr. NEY:

H. Res. 133. A resolution providing amounts from the applicable accounts of the House of Representatives for continuing expenses of standing and select committees of the House from April 1, 2005, through April 30, 2005; to the Committee on House Administration.

By Mr. GEORGE MILLER of California:

H. Res. 134. A resolution requesting the President to transmit to the House of Representatives certain information relating to plan assets and liabilities of single-employer pension plans; to the Committee on Education and the Workforce.

MEMORIALS

Under clause 3 of rule XII, memorials were presented and referred as follows:

6. The SPEAKER presented a memorial of the House of Representatives of the Commonwealth of Pennsylvania, relative to House Resolution No. 23 memorializing the Congress of the United States to award the Congressional Medal of Honor to Major Richard D. Winters; to the Committee on Armed Services.

7. Also, a memorial of the Senate of the Commonwealth of Pennsylvania, relative to Senate Resolution No. 5 memorializing the Congress of the United States to award the Medal of Honor to Major Richard D. Winters; to the Committee on Armed Services.

8. Also, a memorial of the House of Representatives of the Commonwealth of Pennsylvania, relative to House Resolution No. 59 memorializing the President and Congress of the United States to increase the military death gratuity payment and the SGLI maximum benefit and to require the Federal Government to pay the SGLI premiums for members of the armed forces; jointly to the Committees on Armed Services and Veterans' Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 3 of rule XII, private bills and resolutions of the following titles were introduced and severally referred, as follows:

By Mr. MEEHAN:

H.R. 1066. A bill for the relief of Toan Duc Le; to the Committee on the Judiciary.

By Mr. ROHRABACHER:

H.R. 1067. A bill for the relief of John Castellano; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 3: Mr. WU.

H.R. 8: Mr. BOUSTANY, Mr. PICKERING, Mr. PAUL, Mrs. JO ANN DAVIS of Virginia, Mr. RENZI, Mr. SIMPSON, Mr. HYDE, Mr. MACK, Mr. LATOURETTE, Mr. NUSSLE, Mr. BOEHLERT, Mr. HAYES, Mr. SIMMONS, Miss

MCMORRIS, Mrs. KELLY, Mr. ROGERS of Michigan, Mr. KIRK, and Mr. RAMSTAD.

H.R. 13: Mr. CANNON, Mr. MCHENRY, Mr. CUMMINGS, Ms. ZOE LOFGREN of California, Mr. EVANS, and Mr. WAMP.

H.R. 21: Ms. LORETTA SANCHEZ of California, Ms. HERSETH, Mr. MEEK of Florida, Mr. BECERRA, Mr. REYES, Mrs. MALONEY, Mr. MEEHAN, Mr. LEWIS of Georgia, Ms. PELOSI, Mr. BRADY of Pennsylvania, Ms. DEGETTE, Mr. PASTOR, Mr. PETERSON of Minnesota, Mr. SABO, Mr. GORDON, Mr. LARSON of Connecticut, Mr. LEVIN, Mr. STUPAK, Mr. TIERNEY, Ms. WOOLSEY, and Mr. WELDON of Florida.

H.R. 22: Mr. BOOZMAN, Ms. ROYBAL-ALLARD, Mr. BLUMENAUER, Mr. ROSS, Mr. BACA, Ms. WOOLSEY, Ms. ZOE LOFGREN of California, Mr. ROTHMAN, Mr. LANTOS, Mr. HONDA, Mr. BERMAN, and Ms. MILLENDER-MCDONALD.

H.R. 25: Mr. NEY.

H.R. 32: Mr. RYAN of Ohio, Ms. WATSON, and Mr. FITZPATRICK of Pennsylvania.

H.R. 34: Mr. MCCOTTER, Mr. PENCE, Mr. BURGESS, Mr. WELDON of Florida, Mr. MOORE of Kansas, Mr. BARTLETT of Maryland, Mr. SMITH of New Jersey, Mr. ANDREWS, Mr. ROHRABACHER, and Mr. HUNTER.

H.R. 65: Mr. MOLLOHAN and Mr. HULSHOF.

H.R. 68: Mrs. TAUSCHER and Mr. WYNN.

H.R. 113: Mr. NEY and Mr. OXLEY.

H.R. 115: Mr. PAYNE, Mr. SNYDER, Mr. OWENS, and Mr. OBERSTAR.

H.R. 136: Mr. GINGREY.

H.R. 179: Mr. GARRETT of New Jersey.

H.R. 180: Mr. GARRETT of New Jersey.

H.R. 181: Ms. FOXX and Mr. AKIN.

H.R. 197: Mr. FORD.

H.R. 198: Mr. PASTOR, Mr. SCOTT of Virginia, Mr. WEINER, Mr. RANGEL, and Mrs. MCCARTHY.

H.R. 224: Mr. GORDON.

H.R. 227: Ms. SLAUGHTER and Mr. WALSH.

H.R. 230: Mr. LATHAM and Mr. CASE.

H.R. 239: Mr. INGLIS of South Carolina, Mr. WICKER, and Mr. SOUDER.

H.R. 274: Mr. WOLF, Mrs. MILLER of Michigan, Mrs. DRAKE, and Mr. CANTOR.

H.R. 284: Mr. ALLEN and Mr. PAYNE.

H.R. 302: Mr. GUTIERREZ and Ms. SOLIS.

H.R. 303: Mr. EDWARDS, Mr. BOYD, Mr. LOBIONDO, Mr. LANGEVIN, Mr. BOSWELL, Ms. ZOE LOFGREN of California, Mr. MCGOVERN, Mr. ABERCROMBIE, and Ms. PELOSI.

H.R. 305: Mr. CONAWAY, Mr. NEUGEBAUER, Mr. MILLER of North Carolina, Mr. REYNOLDS, Mr. SNYDER, and Mr. GREEN of Wisconsin.

H.R. 341: Mr. HOLDEN, Mr. LARSEN of Washington, and Mr. MCHUGH.

H.R. 354: Mr. MCCAUL of Texas.

H.R. 358: Mr. EDWARDS, Mr. FORBES, Mr. SHUSTER, Mr. KLINE, Mr. ISRAEL, Mr. MCINTYRE, Mr. WELDON of Florida, Mr. HOSTETTLER, Mr. RENZI, Mr. SHERWOOD, Mr. PUTNAM, Mr. DUNCAN, Mr. BILIRAKIS, Mr. BONILLA, Mr. TOWNS, Mr. BARTLETT of Maryland, Mr. WAMP, Mr. KOLBE, Mr. PETRI, Mr. LINDER, Mr. PASCRELL, Mr. TANNER, Mr. MATHESON, Mr. BAKER, Mr. RUPPERSBERGER, Mr. HEFLEY, Mr. COBLE, Mr. BOUCHER, Mr. MCCOTTER, Mr. PITTS, Mr. CARNAHAN, Mr. UDALL of New Mexico, Mr. HIGGINS, Ms. MCKINNEY, Mr. OBERSTAR, Mr. LARSEN of Washington, Mrs. LOWEY, Mr. MCHUGH, and Mr. PENCE.

H.R. 364: Mr. SESSIONS.

H.R. 376: Ms. LORETTA SANCHEZ of California, Mr. KANJORSKI, Mr. LEVIN, Mr. CARNAHAN, Mr. TIERNEY, Mr. WOLF, Ms. ESHOO, Mr. VAN HOLLEN, Mr. COOPER, Mr. UDALL of New Mexico, Mrs. MALONEY, Mr. MEEHAN, Mr. CASE, Mr. DINGELL, Ms. ROYBAL-ALLARD, Mr. BRADY of Pennsylvania, Mr. LANGEVIN, Mr. FILNER, Mr. WEXLER, Mr. ORTIZ, Ms. JACKSON-LEE of Texas, and Ms. KAPTUR.

H.R. 380: Mr. LATHAM.

H.R. 389: Mr. GARY G. MILLER of California, Mr. LAHOOD, Ms. GINNY BROWN-WAITE of Florida, and Mr. CAPUANO.

H.R. 420: Mr. NEY.

H.R. 442: Mr. GRIJALVA, Ms. MCCOLLUM of Minnesota, and Ms. SLAUGHTER.

H.R. 454: Mr. CONAWAY.

H.R. 459: Ms. LINDA T. SÁNCHEZ of California, Mr. DEFAZIO, Mr. NEAL of Massachusetts, Mr. DELAHUNT, Mr. FARR, Ms. KAPTUR, Mr. LEWIS of Georgia, Mr. CLYBURN, and Mr. BISHOP of Georgia.

H.R. 499: Ms. LEE.

H.R. 500: Mr. INGLIS of South Carolina, Mr. BARRETT of South Carolina, Mr. HASTINGS of Washington, Mr. FRANKS of Arizona, Mr. HERGER, and Mr. PITTS.

H.R. 503: Mr. RUSH, Mr. TAYLOR of Mississippi, Mr. TIERNEY, Mr. FILNER, Mr. MENENDEZ, Mr. SIMMONS, Mr. WU, Mr. SHAW, Mr. WILSON of South Carolina, Mr. NADLER, Mr. ROTHMAN, Mr. LARSEN of Washington, Mr. KENNEDY of Rhode Island, and Ms. MCCOLLUM of Minnesota.

H.R. 513: Mr. BOYD.

H.R. 524: Mr. PORTER.

H.R. 530: Mr. MILLER of Florida.

H.R. 535: Mr. ISSA.

H.R. 550: Mr. DAVIS of Florida, Mr. UDALL of New Mexico, Mrs. LOWEY, Mr. ACKERMAN, Mr. BOYD, Mr. MEEK of Florida, Mr. MCNULTY, Ms. DEGETTE, Ms. JACKSON-LEE of Texas, Mr. ROTHMAN, and Mr. DAVIS of Illinois.

H.R. 554: Mr. BAKER, Mr. MCCOTTER, and Ms. FOXX.

H.R. 556: Mr. LAHOOD and Mrs. CAPPS.

H.R. 558: Mr. VAN HOLLEN, Mr. MICHAUD, Mr. BRADY of Pennsylvania, Mr. RYAN of Ohio, Mr. HOLDEN, Mr. BOSWELL, and Mr. CUMMINGS.

H.R. 559: Mr. KUCINICH, Mr. RUSH, Ms. MCCOLLUM of Minnesota, Ms. WATSON, and Mr. WEXLER.

H.R. 581: Mr. FLAKE and Mr. EMANUEL.

H.R. 583: Mr. PLATTS, Mr. CUMMINGS, Mr. LAHOOD, Ms. WOOLSEY, and Mr. JACKSON of Illinois.

H.R. 588: Mr. WEINER, Mr. OTTER, Mr. STEARNS, Mr. GARRETT of New Jersey, and Mr. FOLEY.

H.R. 601: Mr. MORAN of Virginia, Mr. PETERSON of Minnesota, Mr. SOUDER, and Mr. GREEN of Wisconsin.

H.R. 602: Mr. CONYERS, Mr. EVANS, Mr. MILLER of North Carolina, and Mrs. CAPITO.

H.R. 606: Mr. GUTIERREZ and Mr. COSTA.

H.R. 613: Mr. CALVERT.

H.R. 615: Mr. HAYES, Mr. BROWN of Ohio, Mr. GALLEGLY, Mr. PORTER, and Mr. EVANS.

H.R. 625: Mr. BEAUPREZ.

H.R. 626: Mr. ENGLISH of Pennsylvania, Mr. CARDIN, and Mr. TANNER.

H.R. 650: Mr. GINNY BROWN-WAITE of Florida and Mr. SOUDER.

H.R. 651: Mr. REHBERG.

H.R. 669: Mr. ETHERIDGE, Mr. LAHOOD, and Mrs. CAPPS.

H.R. 670: Mr. ALEXANDER and Ms. GINNY BROWN-WAITE of Florida.

H.R. 692: Mr. GORDON.

H.R. 759: Mr. MCGOVERN, Mr. KENNEDY of Rhode Island, Mr. HOLT, Mrs. CAPPS, and Mr. LANTOS.

H.R. 761: Mrs. MALONEY, Mr. BLUMENAUER, Mr. NEUGEBAUER, and Ms. DEGETTE.

H.R. 771: Mrs. MCCARTHY.

H.R. 778: Mr. MILLER of Florida.

H.R. 783: Mr. GERLACH, Mr. FORD, Mr. CLAY, Mr. BARRETT of South Carolina, Mrs. JO ANN DAVIS of Virginia, Mr. SOUDER, and Ms. SCHWARTZ of Pennsylvania.

H.R. 791: Mr. EMANUEL, Mr. HOLT, Mr. SMITH of Washington, Mr. TIERNEY, Ms. MCCOLLUM of Minnesota, Mr. GEORGE MILLER of California, Mr. GRIJALVA, Mrs. MCCARTHY, Mr. WEXLER, Mr. OWENS, Mr. MCGOVERN, Mr. COOPER, Mr. ABERCROMBIE, Mr. LANTOS, Mr. MORAN of Virginia, Mr. PAYNE, Mr. PALLONE, Mr. WAXMAN, and Mr. SHAYS.

H.R. 793: Mrs. MILLER of Michigan and Mr. MOORE of Kansas.

H.R. 798: Mr. COSTA, Mr. HONDA, Ms. JACKSON-LEE of Texas, Mr. GENE GREEN of Texas, and Mr. BOREN.

H.R. 799: Mr. FILNER.

H.R. 810: Mr. BRADY of Pennsylvania, Mr. THOMPSON of California, Mr. TIERNEY, Mr. SANDERS, Mr. MILLER of North Carolina, and Ms. MOORE of Wisconsin.

H.R. 817: Ms. DEGETTE, Mr. INSLEE, Mr. CROWLEY, Mr. ROTHMAN, Mr. FRELINGHUYSEN, Mr. PASCRELL, Mr. MOORE of Kansas, and Mr. NADLER.

H.R. 818: Mr. OWENS.

H.R. 834: Mr. MORAN of Virginia and Ms. ESHOO.

H.R. 840: Mr. SMITH of New Jersey and Mr. BROWN of Ohio.

H.R. 845: Mr. NEUGEBAUER and Mr. KUHL of New York.

H.R. 870: Mr. CUMMINGS and Mr. ISRAEL.

H.R. 871: Mr. DEFAZIO and Ms. ESHOO.

H.R. 888: Mr. BARRETT of South Carolina.

H.R. 895: Mr. PORTER.

H.R. 897: Mr. ROGERS of Michigan and Mr. EMANUEL.

H.R. 899: Mr. LINCOLN DIAZ-BALART of Florida.

H.R. 911: Mr. SAM JOHNSON of Texas and Mr. GOODLATTE.

H.R. 920: Mr. KENNEDY of Minnesota, Ms. GINNY BROWN-WAITE of Florida, and Mr. GORDON.

H.R. 923: Mr. GOODE and Mrs. MCCARTHY.

H.R. 924: Mr. PAYNE.

H.R. 963: Mr. MCCAUL of Texas.

H.R. 986: Mr. MCHUGH, Mr. PUTNAM, and Mr. MCCAUL of Texas.

H.R. 987: Mr. ISRAEL.

H.R. 997: Mr. LAHOOD, Mr. CAMP, and Mr. RYUN of Kansas.

H.R. 1002: Mr. ABERCROMBIE, Mrs. BIGGERT, Mr. BISHOP of Georgia, Mr. COSTELLO, Mr. CUMMINGS, Mr. GOODE, Mr. GUTIERREZ, Mr. HASTINGS of Florida, Mr. HOLDEN, Ms. NORTON, Ms. JACKSON-LEE of Texas, Mr. MCDERMOTT, Mr. MEEKS of New York, Ms. MILLENDER-MCDONALD, Mr. PALLONE, Ms. ROYBAL-ALLARD, Ms. SCHAKOWSKY, and Ms. WOOLSEY.

H.R. 1006: Ms. LEE.

H.J. Res. 10: Mrs. CAPITO, Mr. ROTHMAN, and Mr. PORTER.

H. Con. Res. 27: Mr. BRADY of Pennsylvania, Ms. WATSON, Mr. ABERCROMBIE, Mr. GEORGE MILLER of California, Mr. RUSH, Mr. GRIJALVA, Mr. PALLONE, Mr. NEAL of Massachusetts, Ms. WOOLSEY, Mr. STRICKLAND, Mr. OBERSTAR, Mr. OWENS, Mr. RANGEL, Mr. DOYLE, Mr. DINGELL, Mr. BERMAN, Mr. DAVIS of Illinois, Mr. SMITH of Washington, Mr. SANDERS, Mr. MCGOVERN, Mr. MCNULTY, Mr. AL GREEN of Texas, Mr. HIGGINS, Mr. ISRAEL, and Mr. CROWLEY.

H. Con. Res. 32: Mrs. MILLER of Michigan.

H. Con. Res. 34: Ms. LORETTA SANCHEZ of California, Mrs. MALONEY, Ms. KAPTUR, Ms. BALDWIN, Mr. DAVIS of Illinois, Mr. ROTHMAN, Ms. WOOLSEY, and Mr. FRANK of Massachusetts.

H. Con. Res. 42: Mr. ALEXANDER.

H. Con. Res. 65: Mr. ENGLISH of Pennsylvania and Mr. CHANDLER.

H. Res. 22: Mr. GARRETT of New Jersey.

H. Res. 67: Ms. HARMAN, Mr. HINCHEY, Ms. MOORE of Wisconsin, Mr. VAN HOLLEN, Mr. EVANS, and Mr. ROTHMAN.

H. Res. 84: Mr. BARRETT of South Carolina.

H. Res. 101: Mr. BERMAN, Mr. HASTINGS of Florida, Mr. MCCOTTER, Ms. SCHAKOWSKY, Mr. CARDOZA, Mr. FORD, Mr. BARRETT of South Carolina, Mr. ISRAEL, Mr. CLEAVER, Mr. WELLER, Mr. BUTTERFIELD, and Mr. ETHERIDGE.

H. Res. 108: Mr. MCCOTTER, Mrs. DAVIS of California, Mr. BURTON of Indiana, Mr. GEORGE MILLER of California, Mr. PALLONE, Mrs. JONES of Ohio, Mr. LANTOS, Mr. HASTINGS of Florida, Mr. WELDON of Pennsylvania, Mr. KING of New York, and Mr. BERMAN.

H. Res. 115: Mr. BROWN of Ohio.

H. Res. 120: Mr. MCCAUL of Texas, Mr. ETHERIDGE, Mr. SMITH of Washington, Ms. ROS-LEHTINEN, and Mr. SMITH of New Jersey.

PETITIONS, ETC.

Under clause 3 of rule XII,

8. The SPEAKER presented a petition of the City Council of Atlanta, Georgia, relative to Resolution 04-R-1724 supporting the District of Columbia's right to have its elected Representative have full voting rights in the United States House of Representatives and the District of Columbia is the permanent seat of government for the United States and voting rights in our capital is a national concern; and for other purposes; which was referred to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

RECOGNIZING MURAL ARTIST MYRON C. NUTTING AND THE WAUWATOSA COMMUNITY

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Mr. STARK. Mr. Speaker, as a graduate of Wauwatosa High School in a Wauwatosa, WI, I rise to pay tribute to Myron C. Nutting, a mural artist, whose work has been restored and will be rededicated on March 6, 2005, at my alma mater.

Myron Chester Nutting was born on October 18, 1890 in Panaca, NV, but moved to Milwaukee in 1934 to work as an art instructor at Layton School of Art under the Federal Arts Program. Before coming to Milwaukee, Nutting had lived and studied in Paris with expatriate artists and writers whom history has been labeled as the ''lost generation.'' At the time, Nutting was considered among the top 15 Wisconsin artists with training both in America and Europe.

Nutting left Milwaukee in 1939, moving to southern California where his artistic life and reputation grew. He was a recognized portrait artist of many southern California clients, a critic and writer, and flourished as a lithographer, oil and water color artist. He died in Los Angeles in 1972.

Nutting had a close relationship with the controversial Irish writer James Joyce as evidenced by portraits he painted in the early 1920s of James Joyce's wife, Nora, their daughter Lucia, and the unfinished portrait of James Joyce himself. All three pieces as well as Mr. Nutting's other art work and personal papers are in collections at Northwestern University, the University of California at Los Angeles, the American Art Archives at the Smithsonian in Washington, and in dozens of smaller museums, galleries, and archives throughout the world.

With regard to his work in Wisconsin, Nutting was commissioned by Charlotte Partridge, State director of the Federal Arts Project at the time, to design and paint two oil-on-canvas murals at the then recently constructed Wauwatosa Senior High School. The work was started in January 1934 and completed the following June. The murals were originally hung on March 2, 1935, but were covered up during a renovation at the school in the mid-1970s. For unknown reasons, the murals were left unsigned. They remained covered up for 30 years until restoration work began 2 years ago when they were rediscovered.

On March 6, 2005, at Wauwatosa High School, the Wauwatosa Historical Society and the school district office will rededicate these two murals that have been beautifully restored in the main lobby of the school. These two 14′ by 4′ murals have been restored to their original museum quality and will be an important educational tool for the school's present and future generations.

More than 190 Wauwatosa High School alumni, as well as many members of the community, have donated more than $125,000 to restore these historical art pieces.

These murals remain the property of the Federal Government and will be registered with the General Services Administration's office of fine arts, which acts as a steward for the preservation of these art pieces.

I join in honoring all alumni, students, the community of Wauwatosa, the many volunteers who have worked for many months to bring these artifacts back to their former glory, as well as the artist, Myron C. Nutting, for all their contributions to work and restoration of the mural pieces. These are all wonderful contributions to the school's valued history and tradition.

INTRODUCTION OF THE WOMEN, CHILDREN, AND INFANT TSUNAMI VICTIM RELIEF ACT OF 2005

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Mrs. MALONEY. Mr. Speaker, today I am introducing a bill that will help thousands of women, children, and families who have suffered since the horrific tsunami hit Asia on December 26, 2004. This bill, the Women, Children, and Infant Tsunami Victim Relief Act of 2005, authorizes $3 million to the United Nations Population Fund, UNFPA, to provide severely needed urgent medical and health care to tsunami victims in Indonesia, the Maldives, and Sri Lanka.

UNFPA has made an urgent appeal to donor nations to raise $27.5 million to provide relief to women in Indonesia, Sri Lanka, and the Maldives. Due to its extensive experience responding to emergencies, UNFPA was one of the first respondents in the tsunami-affected areas helping women.

More than 150,000 women are currently pregnant in the tsunami-affected areas, including 50,000 anticipated to give birth during the next 3 months. UNFPA is determined to enhance the likelihood of deliveries occurring in safe and clean conditions by providing emergency care, basic supplies, and helping to rebuild health care facilities.

Disasters put pregnant women at greater than normal risk because of the sudden loss of medical support, compounded in many cases by trauma, malnutrition, disease, or exposure to violence. In times of high stress, pregnant women are more prone to miscarriage or to premature labor, both of which require medical care.

UNFPA works to reduce maternal deaths and illnesses by providing prenatal care, delivery assistance, access to emergency obstetric care, and post-natal care. It provides services to avoid malnutrition, which frequently occurs after natural disasters when food supplies are unavailable or uneven. Vitamin and iron deficiencies, especially anemia, can be fatal for pregnant women and their babies. Nursing women require supplemental funding to ensure their health and that of their baby.

For example, in Sri Lanka, the UNFPA-supported maternal hospital was being flooded, and staff was able to move all patients but one premature infant to safety and it has set up a temporary facility to provide critical health services.

This bill specifies that the funds included can only be used by UNFPA to provide safe delivery kits—soap, plastic sheeting, razor blades, string and gloves—personal hygiene kits—sanitary napkins, soap, laundry detergent, dental supplies—reestablish maternal health services, prevent and treat cases of violence against women and youth, offer psychological support and counseling, and promote access of unaccompanied women to vital services. Each of these issues is a serious problem in the region and will go a long way toward helping save the lives of thousands of women and their children.

These people have suffered enough. We must do everything we can to help them. This is why I ask support from my colleagues for the Women, Children, and Infant Tsunami Victim Relief Act of 2005.

HONORING JACKIE ROBINSON RECEIVING THE CONGRESSIONAL GOLD MEDAL

HON. XAVIER BECERRA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Mr. BECERRA. Mr. Speaker, I rise today to celebrate April 15—no, not Tax Day—but that memorable day in 1947 when Jackie Robinson officially broke the color barrier of Major League Baseball by donning a Brooklyn Dodgers uniform.

In the face of great adversity and knowing that the hopes of African-American athletes in all sports rested on his shoulders, Jackie Robinson provided inspiration to all of America in his courageous pursuit of racial equality.

By simply putting on his spikes, wearing his Dodgers uniform, and taking the field on that great day, Jackie Robinson forever changed the landscape of the American sports scene; indeed, he fueled a change in the hearts and minds of our great Nation.

Jackie Robinson stared bitter opposition and oppressive racism in the face, all while achieving unparalleled success. He was named the National League Rookie of the Year in 1947 and earned National League Most Valuable

Player honors in 1949. In 1962, Jackie became the first African-American to be inducted into the Baseball Hall of Fame.

Known for his gifted batting, blinding speed around the bases, and strong but steady temperament, Jackie Robinson won the respect of teammates and opponents alike. He led the Dodgers to six pennants and their first World Championship as a member of the famed ''Boys of Summer'' in 1955.

Although he played in New York, Jackie Robinson was actually a southern California local. He grew up in Pasadena, CA, and was a star athlete while attending the University of California at Los Angeles. Jackie's long-standing commitment to Dodgers heritage and his strong Southern California roots make us proud and endear him to Dodgers fans from Brooklyn to Los Angeles and everywhere in between.

Jackie Robinson's sacrifice on and off the field has had a lasting impact on our nation. An athlete, businessman, and civic leader, Jackie helped blaze a trail for the civil rights movement in the years after his career as a player had ended. He conquered countless steep barriers with faith, dignity and grace, and he stands as a noble symbol of change in creating a more just American society for all.

Jackie Robinson's spirit is still with us today. Jackie's life and principles are the basis for the Jackie Robinson Foundation, which keeps his memory alive by providing children of low-income families with leadership and educational opportunities. Perhaps Jackie Robinson himself said it best: ''A life is not important, except in the impact it has on other lives.''

To honor Jackie for his countless and valuable contributions, Major League Baseball declared in 2003 that on April 15 each year, all Major League clubs will recognize this remarkable athlete and man. That same year my colleagues and I passed legislation honoring Jackie Robinson with a National Day of Recognition and awarding him the Congressional Gold Medal, the highest honor bestowed by Congress. Almost 58 years after Jackie Robinson trotted out to first base in a Brooklyn Dodgers uniform, the President today will present the Congressional Gold Medal to Jackie's wife Rachel, daughter Sharon and son David, along with other members of the Robinson family.

I can think of no better tribute than to proclaim April 15 ''Jackie Robinson Day.'' Jackie's contributions and sacrifices not only changed a sport, but touched a nation. No athlete may have had a greater long-term impact on his sport or society than Mr. Robinson.

Mr. Speaker, it gives me great pride and honor to ask my colleagues to join me today in saluting Mr. Jackie Robinson as the recipient of the Congressional Gold Medal and as a great American most deserving of his National Day of Recognition. Jackie Robinson's contributions have truly helped to make America ''one nation.''

RECOGNIZING ROBERT HARRISON GLAZE

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Mr. STARK. Mr. Speaker, I rise today to pay tribute to Robert (Bob) Harrison Glaze. Bob Glaze served honorably on the City Council of San Leandro, California from 1984 to 2004. He was the youngest Vice Mayor in the city's history.

Bob Glaze was born in Oakland, California, and moved to San Leandro in 1963. He is a graduate of Chabot College and Marina High School, where he served as Athletic Commissioner and Curriculum Council member.

Alameda County and the San Leandro community have benefited from Bob's activism and commitment to make a positive difference. During his tenure on the San Leandro City Council, he served on a variety of Council Committees, including Finance, the Cherry Festival, Quality of Life, School Liaison, Revenue Sharing, Long Range Fire Planning, School Safety, Technology and Policy.

Bob is an Alameda County Fire Commissioner and an alternate member of the Alameda County Transportation Committee, Alameda County Waste Management Authority, Association of Bay Area Governments and the Congestion Management Authority. He is a member of the governing board of the Associated Community Action Program and the Alameda County Training and Employment Program.

His community service extends far and wide. He continues to be active in all areas of Scouting, serving as Scoutmaster, Merit Badge Counselor, District Committee Member, District Finance Chairman, District Chairman as well as Exploring North Commissioner. He was 1993 Scout Jamboree Selection Chairman. Other organizations that have benefited from Bob's leadership include Washington Home Owners Association, Washington Manor Lions' Club, San Leandro Human Resource Commission and the Optimist Club of San Leandro.

Bob Glaze is truly an involved and model citizen. His commitment is exemplary. I join the citizens of San Leandro who will pay tribute to him on his retirement from the City Council and thank him for his countless contributions.

TRIBUTE TO WALTER H. SHORENSTEIN

HON. ANNA G. ESHOO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Ms. ESHOO. Mr. Speaker, I rise today to honor a distinguished American, Walter H. Shorenstein, who will celebrate his 90th birthday on Friday, March 4, 2005.

Walter H. Shorenstein served our nation as a Major in the United States Air Force. He is an extraordinary American who has made enormous contributions to our communities and our country. He began his career in real estate in 1946 and has built the Shorenstein Company into one of the largest and most highly respected real estate firms in the nation.

Walter Shorenstein has been a valued advisor to Presidents, a generous philanthropist, a noted lecturer and an ardent supporter of education. His numerous sponsorships, board memberships and honors reflect his dedication to art, culture, education, government and philanthropy.

Walter Shorenstein's life has been enriched by his family. His daughter Carole is a producer of Broadway shows, his son, Douglas is President of the Shorenstein Company, and his grandchildren Walter, Gracie, Brandon Jona, Sandra Joan and Daniella are great blessings to him. His lifelong partner in life, Phyllis, died in 1994, and their beloved and brilliant daughter Joan died in 1985.

It is a special privilege for me to honor Walter Shorenstein and to call him my friend.

Mr. Speaker, I ask my colleagues to join me in honoring this good and great American, this outstanding citizen and national treasure. As Mr. Shorenstein celebrates this important milestone, the gratitude and respect of the entire House of Representatives are extended to him.

IN RECOGNITION OF THE 44TH ANNIVERSARY OF THE PEACE CORPS AND IN CELEBRATION OF NATIONAL PEACE CORPS WEEK

HON. ELLEN O. TAUSCHER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Mrs. TAUSCHER. Mr. Speaker, I rise today in celebration of National Peace Corps Week and to congratulate the 7,700 Peace Corp Volunteers—including 30 of my constituents—who are serving their country today in 72 countries around the world.

More than 178,000 Peace Corps Volunteers have served in 138 countries since the organization's inception in 1961. Every year, thousands of selfless volunteers share their time and talents by serving as teachers, business advisors, information technology consultants, health and HIV/AIDS educators, and youth and agriculture workers.

Over 3,100 volunteers work directly or indirectly on HIV/AIDS prevention and education activities throughout the world, and support efforts in 10 of the 15 focus countries in the President's Emergency Plan for AIDS Relief.

I praise our nation's Peace Corps volunteers who serve their country and the world as humanitarians, devoting themselves to transferring life-changing knowledge and skills to the people of other nations.

Mr. Speaker, I salute the hundreds of thousands of men and women of this nation who have selflessly served abroad as Peace Corps Volunteers. On this 44th Anniversary of the Peace Corps, I am especially proud to represent 30 such volunteers and I offer them my sincere gratitude.

IN RECOGNITION OF BROWARD COUNTY TEACHER OF THE YEAR, MS. JASMINE DEBOO

HON. E. CLAY SHAW, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Mr. SHAW. Mr. Speaker, I rise today to honor Ms. Jasmin Deboo, who was awarded Broward County, Florida's Teacher of the Year. Ms. Deboo has dedicated her life to her 5th Grade students at Deerfield Beach Elementary School for the last 11 years.

Ms. Deboo's dedication to her students is quite apparent. She has gone above and beyond the average duties of a teacher by taking on the roles of a surrogate parent and that of counselor helping children deal with personal problems. This style of leadership has allowed Ms. Deboo to become a role model for not only her students, but also for other teachers at her school. Ms. Deboo is a person who has had a positive impact on all those lucky enough to be around her.

Today, we recognize Jasmin Deboo for her accomplishments and her dedication to the students of Broward County, Florida. I congratulate Ms. Deboo on being named the 2005 Broward County Teacher of the Year.

A TRIBUTE TO THE FIRST CHURCH OF THE NAZARENE OF PASADENA

HON. ADAM B. SCHIFF

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Mr. SCHIFF. Mr. Speaker, I rise today to honor the First Church of the Nazarene of Pasadena, California. During the months of February and March, the First Church of the Nazarene of Pasadena will be celebrating its 100th Anniversary.

The church began in 1905 and was led by Founding Pastor Dr. John W. Goodwin with 54 members that met in each others' homes. As the congregation grew, the church moved to Mary Street in 1906, then Raymond Avenue, Mountain Street, and finally Sierra Madre Boulevard, where it resides today. Today the church has over 2000 members, which includes a congregation with nine different cultural backgrounds.

First Church of the Nazarene of Pasadena had several notable Pastors, including Pastor James Dobson, Founder and Chairman of Focus on the Family, and his wife Shirley, who were members for over thirty years. Other Pastors were J.W. Ellis, Earl G. Lee, H.B. London, Dr. Stephen Green, Dr. Jeff Crosno and the current Pastor, Jay Ahlemann.

The church has many programs that serve the community. The Compassionate Ministries program consists of: Helping Hands—a food and clothing facility on the church campus, Church in the Park—service to the homeless on Sunday mornings, El Centro Trabajo—an advocacy organization for day laborers, and a South Central Los Angeles food distribution center. Compassionate Ministries fed and clothed more than 22,000 people last year.

Other programs include PrimeTime which provides fellowship for seniors and Loveline, a phone ministry for homebound seniors. In His Image serves families of special needs children on a weekly basis, providing Sunday School classes, parent connections and support groups, respite events for the parents, an all-inclusive sports program for the entire family, and special events like the Special Olympics Unified Basketball event, San Gabriel Valley Region. Parent Education Seminars, Support Groups through the Recovery Ministries, Sunday School, Sunrise Preschool and Academy of the Arts are also among the many services that the First Church of the Nazarene of Pasadena offers to its members and the community.

I am proud to recognize the First Church of the Nazarene of Pasadena for its 100 years of offering a place of loving care and joyous worship to the people of the San Gabriel Valley and I ask all Members to join me in congratulating the congregation for their remarkable achievements.

HONORING ROTARY INTERNATIONAL

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Mr. KILDEE. Mr. Speaker, I ask the House of Representatives to join me in congratulating Rotary International on celebrating its 100th anniversary. On Saturday, February 26, the Rotary Clubs of Genesee, Shiawasee and Lapeer Counties will celebrate this milestone with a Centennial Gala to be held at Genesys Banquet Center in Grand Blanc, Michigan.

Rotary International, founded on February 23, 1905, is a worldwide organization of business and professional leaders that provide humanitarian service, encourage high ethical standards in all vocations, and help build goodwill and peace in the world. Approximately 1.2 million Rotarians belong to more than 31,000 Rotary Clubs located in 166 countries. In Rotary Area Seven, which includes my district, there are almost 600 members making the commitment to address community and international issues.

Rotarians are committed to the motto ''Service Above Self' and to ''The Four-Way Test'' of business ethics, a philosophy that encourages truth, fairness, goodwill, and mutual benefit in all professional actions.

The Four-Way Test:

1. Is it the Truth?
2. Is it Fair to all Concerned?
3. Will it build Goodwill and Better Friendships?
4. Will it be Beneficial to all concerned?

They support efforts to provide educational opportunities and to meet basic human needs because these efforts are essential steps to greater world understanding, goodwill, and peace. The founding of Rotary International encouraged the creation and expansion of service clubs in the 20th century, and these service clubs generated a formalized spirit of community volunteerism throughout the United States and the world.

The PolioPlus program, created by Rotary International to fight the dreaded disease, has helped to vaccinate more than two billion children. They are the only nongovernmental organization to join in partnership with the World Health Organization, the United Nations Children's Fund (UNICEF), and the Centers for Disease Control and Prevention to achieve the goal of the total eradication of polio in 2005. Their work is an outstanding and noteworthy humanitarian effort by a nonprofit organization.

Mr. Speaker, I ask the House of Representatives to join me in congratulating Rotary International on celebrating its 100th anniversary. As a Rotary Club fellowship beneficiary, I can attest to the unwavering support they give to the community and applaud their involvement in the State of Michigan and beyond.

RECOGNIZING VIRGINIA AND SAMUEL RICHARDSON DURING BLACK HISTORY MONTH

HON. MARTIN OLAV SABO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Mr. SABO. Mr. Speaker, it is my honor to take part in the celebration of Black History Month by recognizing distinguished civil and human rights leaders from the state of Minnesota: Virginia and Samuel Richardson.

Samuel Richardson was born in Longview, Texas where he lived until he enrolled in Morehouse College. He moved to Minnesota in 1950 and immediately joined the local branch of the NAACP.

Wanting to see his children grow up in a place that valued equality, Samuel Richardson fought for it in numerous ways, such as by picketing the F.W. Woolworth's in St. Paul to advocate for equal access and jobs for African Americans there. He advocated for fair housing. He marched with Martin Luther King in Washington in 1963. He joined numerous organizations and served as their leader.

Virginia Bardwell Richardson was born in Huntington, Tennessee. She attended the University of Minnesota, became a mother, and has always been passionate about education. She joined local activist organizations and served in leadership positions throughout her entire adult life.

When Samuel was hired by Supermarket giant Applebaum's in a prominent marketing position, he was one of the only black advertising directors west of Chicago. After a long career with Applebaum's, he became the Minnesota State Commissioner of Human Rights. There, he focused on new laws to address discrimination of all kinds, and to promote protections for people with disabilities. He then worked for the State of Minnesota's Department of Education, where he remained from 1971 until 1997.

While raising four children, Virginia was a critical part of volunteer organizations, including Assistant Chair of the Minneapolis Democratic-Farmer-Labor party, Minneapolis Public Schools' quality committee and the Minnesota Epilepsy Board. Almost 25 years ago, she went to work full-time at the PACER Center

(Parent Advocacy Coalition for Educational Rights). Today, she serves as its manager of Parent Training.

Samuel and Virginia are founders of the Bryant Village Initiative. This neighborhood-based organization works to make residents' voices heard about the effectiveness of city and county programs. It also provides critical input to the police department and welfare programs to help make their work more successful.

The Richardsons are heavily involved in the Oakland Methodist Church. Both were active in their children's school Parent Teacher Associations. They have also been active politically, including work on the campaign to help the first black woman Mayor of Minneapolis get her start in politics.

''Most people are simply sitting and waiting to be led. All you have to do is step up and do it,'' Samuel Richardson said. ''You want to see change and you want to see people enjoy all the things the Constitution offers.''

Mr. Speaker, this generous activist couple is one example of the critical leadership required for the change that makes our nation a better place. Samuel and Virginia Richardson have advocated for positive change in our country on behalf of African Americans, women, the disabled, and the poor. I can only hope that today we are developing leaders for the future who have the Richardsons' same high level of dedication to public service.

IN HONOR OF REVEREND GEOFFREY B. CURTISS

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Mr. MENENDEZ. Mr. Speaker, I rise today to honor Reverend Geoffrey B. Curtiss on the 25th anniversary of his ministry at All Saints Episcopal Parish and the 30th anniversary of his ordination to the priesthood. The parish will celebrate these important milestones at a service and reception on March 5, 2005, in Hoboken, New Jersey.

During his years as a priest, Rev. Curtiss has gone above and beyond his duties to his parish. With incredible motivation and a sincere desire to improve the lives of others, he has diligently worked to build a network of support services and organizations that have helped revitalize and transform the community. Upon beginning his service in Hudson County, Rev. Curtiss oversaw the consolidation of three, local Episcopal churches into one, now known as the All Saints Episcopal Parish. From the beginning, the church established a precedent for being progressive and accepting and welcoming people from all stages of life and segments of the community. Under Rev. Curtiss's strong leadership and creative vision, the All Saints Episcopal Parish has become more than a place of worship for its nearly 300 congregants; it is well-known for its community outreach initiatives and ministries. In addition to the church, Hudson County benefits from related programs Rev. Curtiss has helped found such as the All Saints Episcopal Day School, the youth ministry known as WOODY, and the Jubilee Family Life Center, which offers an after-school program and summer camp for youth from the Hoboken housing projects.

An influential member of the community, Rev. Curtiss has held numerous leadership positions in the past and continues to be greatly involved. For the Christ Hospital, Rev. Curtiss is the chair of both the Community Relations Committee and the Quality Improvement Committee, vice-chair of the Board of Trustees, and a member of the Transitional Committee. He is the president of the Episcopal Network for Economic Justice and treasurer of the Jubilee Interfaith Organization, which promotes immigrant rights and worker justice.

As president of the Hoboken Clergy Coalition in 1982, Rev. Curtiss was instrumental in the establishment of the Hoboken Shelter for the Homeless. A past president of the Board of Trustees of the Hoboken North Hudson YMCA and past president of the Hoboken Rotary Club, Rev. Curtiss is still an active member of both organizations. He is also a member of the Diocesan Council, the Episcopal Urban Caucus, the Department of Missions Board, the Commission to Dismantle Racism, and the non-profit housing board known as the Union City Renaissance Urban Renewal Associates.

Rev. Curtiss received his bachelor's degree from Gettysburg College and later graduated with a master's degree from the Gettysburg Lutheran Theological Seminary.

Today, I ask my colleagues to join me in honoring Reverend Geoffrey B. Curtiss for his years of dedicated, selfless service to the community. His passion to help those in need and strong leadership cannot be matched—and his work has touched the lives of countless individuals in Hoboken and the greater community. We congratulate him on his important career milestones and we are grateful to have such a positive force supporting and serving the community.

TRIBUTE TO ARMY PFC MIN S. CHOI

HON. SCOTT GARRETT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Mr. GARRETT of New Jersey. Mr. Speaker, it is with profound sorrow that I rise to recognize the loss of a New Jersey resident who served with dignity and honor as a soldier in Iraq. I join his family, friends and members of his community in mourning this great loss.

On Saturday, February 26, Army Private First Class Min S. Choi, 21, of River Vale, New Jersey died in Abertha, Iraq when an explosive device detonated near his military vehicle. Choi was assigned to the Army Headquarters and Headquarters Company, 6th Squadron, 8th Cavalry Regiment, 3rd Infantry Division at Fort Stewart, Georgia.

A resident of River Vale, N.J., Choi attended Pascack Valley High School. PFC Choi and his family emigrated to the United States from South Korea seven years ago. Following graduation in 2003, Choi enlisted in the Army because he wanted to serve his new country, and aspired to become a military officer and a United States citizen. His commitment to his adopted country and home humble us, and underscore how much we must treasure and protect the freedoms and democratic ideals of our great nation.

This loss causes us to reflect on the bravery demonstrated by our men and women in uniform as they carry out their obligations in the face of danger. When their Nation called them to duty to preserve freedom and the security of our neighbors, they answered without hesitation.

Mr. Speaker, it is my sincere privilege to recognize the life of a proud soldier and heroic representative of the State of New Jersey. Army PFC Min S. Choi was an honorable defender of liberty and he deserves our gratitude and respect.

We remember those who have fallen not only as soldiers, but also as patriots who made the ultimate sacrifice for their country. May we keep their loved ones in our thoughts and prayers as they struggle to endure this difficult period and mourn the heroes America has lost.

TRIBUTE TO PEOPLE OF NAGORNO KARABAKH

HON. MARTIN T. MEEHAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Mr. MEEHAN. Mr. Speaker, I rise today to pay tribute to the people of Nagomo Karabakh, who recently celebrated the seventeenth anniversary of their National Freedom Movement.

On February 20, 1988, the courageous people of Nagomo Karabakh officially petitioned the Soviet government to reunite their homeland with Armenia. They sought to correct the injustices of the brutal Stalin regime, under which the ethnic Armenian population of Nagomo Karabakh was involuntarily placed within the borders of Azerbaijan.

Despite the peaceful request by the Nagomo Karabakh Freedom Movement, the central Soviet and Azerbaijani leadership responded with violence, which escalalated to a brutal campaign against the people of Nagomo Karabakh. These brave citizens refused to give up their right to live in freedom on their ancestral land, fighting for the principles of democracy and human rights upon which our own country was founded.

Today, the unwavering strength of the Freedom Movement can be seen in the democratically-elected government of Nagomo Karabakh. As a member of the Congressional Caucus on Armenia Issues, I congratulate the people of Nagomo Karabakh for their steadfast commitment to promoting freedom, democracy and economic development over the past seventeen years.

It is my hope that the past efforts of Nagomo Karabakh to achieve a peaceful secession from Azerbaijan will help bring a peaceful resolution to the ongoing conflict with Azerbaijan.

RECOGNIZING THE NOMINEES TO OUR NATION'S SERVICE ACADEMIES

HON. SHELLEY MOORE CAPITO

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Mrs. CAPITO. Mr. Speaker, today I would like to recognize several outstanding individuals from my district in West Virginia who have been nominated to our nation's service academies.

Making nominations to our nation's service academies is one of my most important duties as a Congresswoman.

These young men and women are all impressive individuals that have clearly demonstrated academic excellence, extracurricular involvement, and athletic achievements.

Their parents, teachers, and advisors should be very proud of their prestigious accomplishments.

I commend their parents and family for encouraging and supporting these young men and women in the pursuit of their dreams.

I am pleased they have decided to pursue military careers.

Those who choose military careers represent the best of West Virginia and ensure our state motto continues to ring true, "Montani Semper Liberi . . . Mountaineers Are Always Free".

There is no better way for them to use their talents.

I extend my sincerest congratulations for their nominations.

I am very proud of them.

These young men and women have my very best wishes for a bright future.

Jeremy Runco, Ranson; Thomas Flanagan, Charles Town; Sheena Huffman, Gerrardstown; Jerome Lademan, Charles Town; Samuel Talbott, Elkins; Tina Weekley, Ravenswood; Blake Chapman, Charleston; Garrett Dilley, Hurricane; Allen Hartley, Charleston; Alex Hemmelgarn, Clay; Matthew Kearns, Cross Lanes; Brian Martin, St. Albans; Jonathan McCormick, St. Albans; Noah Pfost, Ravenswood; Joshua Russell, Nitro; Joshua Suesli, Gassaway.

FOOD SAFETY

HON. CHRIS VAN HOLLEN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Mr. VAN HOLLEN. Mr. Speaker, I would like to call your attention to the following article, which I submit for the RECORD, written by my constituent, Richard Gilmore. Mr. Gilmore is the President and CEO of the GIC Group. The GIC Group combines experience and strength in research, analysis, and marketing with financial services and asset management. It offers this expertise to the agribusiness and biotechnology industries to help businesses gain access to global and domestic markets, to add value to current agribusiness activities, and to identify new markets.

Upon leaving the Bush Administration, former Secretary of Health and Human Services Secretary Tommy Thompson stated that protecting the safety of the American food supply should be a top priority. Mr. Gilmore's article addresses that issue. While I may not agree with all of Mr. Gilmore's proposals, I recommend this article to every citizen interested in the integrity of the food supply chain and the safety of the food we consume every day.

U.S. FOOD SAFETY UNDER SIEGE?

(By Richard Gilmore)

When it comes to the prospect of an agroterrorist attack—the use of biological agents against crops, livestock, poultry and fish—US agriculture has rolled out the welcome mat. Integration and consolidation in the industry widen the potential impact of any single attack. Internationalization of the food chain offers limitless possibilities for human consumption contagions, as well as economic and political instabilities. To combat and anticipate potential attacks to the US food chain, greater effort should be placed on designing new disease-resistant varieties of plants and livestock on the basis of genomic information. Stricter regulations and enforcement capabilities should be introduced not only at our borders but at the point of origin where food is grown, procured for processed for domestic consumption within the United States. At the same time, the United States must develop a comprehensive preparedness and prevention strategy of international proportions in close coordination with our trading partners and the private sector.

CHANGES IN FOOD PRODUCTION AND REGULATION

The US strategy of protection for the food system, as mapped out in the Homeland Security Presidential Directive/HSPD–9 of January 30, 2004, presupposes that in striving to protect production, processing, food storage and delivery systems within US territory, a credible line of defense will be created to protect the food chain and encourage a thriving agricultural economy. In fact, US agriculture has undergone dramatic change. For crops, 'farm to fork' no longer is confined to a regionally based agricultural system, but now encompasses a highly integrated and consolidated global undertaking. For livestock, 'hoof to home' now takes on a new meaning that includes a high concentration of production, specialization of calf operations, long distance shipping and massive feedlots averaging thousands of head marketed per facility, for both domestic and international consumption. These commercial developments have resulted in previously unimaginable production and handling efficiencies in domestic and export markets.

In 2001, over 70% of processed food in the United States was purchased from other countries, representing almost 30% of final gross product. Fifteen of the top 25 food and beverage companies in the global market are US owned, accounting for about 10% of the global market. US multinational companies account for roughly 6.5%. With greater consolidation on a global scale, interaffiliate trades account for an increasing portion of the value of the food chain. Like other nations, the United States is moving from self-sufficiency to an increasing dependence on other countries for its food supply.

At the same time, the US regulatory infrastructure for food safety is still a work in progress and is hobbled by overdependence on the private sector and underdependence on international cooperation. Whether it is a matter of detection, surveillance or information flow, the US government is currently dependent on the private sector for cooperation and support. To share information, government and industry have established the Food and Agriculture Information Sharing and Analysis Center (ISAC; Washington, DC, USA), which includes key industry association representatives, especially from the processed food and feed sectors.

The Bioterrorism Act of 2002 sets up tracking mechanisms whose effectiveness depends on industry self-reporting. New food import regulations issued by the US Food and Drug Administration (FDA; Rockville, MD, USA) now require prior notification of eight hours for goods arriving by ship, four hours by rail or air and two hours by road. This dependence on the private sector is burdensome for companies and both insufficient and unreliable for ensuring the public's food safety concerns.

Current regulations have evolved since last December, after a reality check of the US government's enforcement capabilities along with industry's feedback and support. The initial regulations failed on both counts and the prospects for the latest regulations remain uncertain. FDA and the Customs & Border Protection Agency (Washington, DC, USA) still have not adequately funded the enforcement infrastructure nor trained personnel to ensure statistically random, uniform inspections under the new prenotification time frames. Industry is called upon to fill the breach but is still relatively unprepared, with insufficient esource commitment to comply fully with the latest regulations.

There remains a remarkable lack of consultation, joint surveillance and shared research with trading partners worldwide. Whether grits or pasta, the US diet still thrives on an international food supply chain. Similarly, food protection and terrorist prevention have to be internationalized, particularly given the advances that continental-wide Europe and Japan have achieved in this regard.

THE THREATS

Although no precedent exists for an agroterrorist attack on the food chain, the dire consequences of natural outbreaks provide a glimpse of the potential damage that could be wrought. The scale of the foot-and-mouth disease (FMD) outbreaks in Taiwan in 1997 and in the UK in 2001 or the bovine spongiform encephalopathy (BSE) epidemic in the United Kingdom from 1996 to 2002 was more devastating than previous epidemics because of the size and structure of modern agricultural production. Taiwan was forced to slaughter more than 8 million pigs and suspend its exports. In the United Kingdom, 4.2 million animals were destroyed in 2001 and 2002, with devastating economic consequences. The cost to Taiwan, a major supplier to Japan, was estimated to be over $20 billion. In the United Kingdom, direct compensation payments alone amounted to approximately $9.6 billion. Because of two major outbreaks of BSE, the United Kingdom slaughtered approximately 5.8 million head of cattle (30 months or older), with an impact of up to $8 billion for the 2000–2001 occurrence alone. The 2003 Dutch outbreak of H7N7, a very pathogenic strain of avian influenza virus, resulted in the necessary culling of over 28 million birds out of a total of 100 million. These numbers pale in comparison to the estimates for a terrorist-induced pathogen release at the heart of the international food chain. The range is astonishing, from almost $7 billion due to a contagion of Asiatic citrus canker on Florida's

citrus fruit alone to $27 billion in trade losses for FMD.

An array of pathogens could be introduced easily and effectively with assurance of widespread health, economic and political impacts. For livestock, the prime candidates are FMD and African swine fever (ASF). FMD is particularly attractive from a terrorist standpoint because it is a highly contagious viral infection with a morbidity rate of 100% in cattle. ASF is equally effective.

Next on the list are the zoonotic diseases, which offer a different strategy: using animals to infect humans. Brucellosis, though not fatal, results in chronic disease; some paramyxoviruses can be passed through direct contact with animals and feature a mortality rate in humans of 36%; certain arboviruses, such as Japanese encephalitis virus, which is spread by insect vectors, and cutaneous forms of anthrax could be readily introduced in the United States. Animal hides, an import item to the US, are a common carrier of anthrax spores that can be readily inhaled and prove fatal for humans.

When it comes to crop pathogens, the list is equally long and ominous: stem rust for cereals and wheat, southern corn leaf blight, rice blast, potato blight, citrus canker and several nonspecific plant pathogens. Although not transmittable to humans, these pathogens would cut a wide and devastating swath in crop production.

It takes relatively few dollars and little imagination to introduce these deadly pathogens. Just like a crop duster or even hand spray pumps, aerosol would be an effective means to introduce the crop pathogen of choice on plants. A terrorist could also rely on cross border winds or water systems to carry a harmful pathogen from another country into the United States. For animals, the options could be somewhat more imaginative, such as dusting a turkey's feathers with a pathogen agent and then filling small bomblets with the feathers to explode over a targeted area, mushrooming contamination as the feathers drift with the wind to such likely targets as a high density avian population.

ECONOMIC AND POLITICAL IMPACT

Any agro-terrorist attack on the food chain would create marked economic instability and losses due to dislocational, trade and health effects. Every bushel of wheat, corn or soybeans (all staple food and feed items) in addition to beef carcasses and pork bellies, has a futures contract written in Chicago and on other exchanges in Europe, Asia and Latin America. These contracts are all written on margin positions, meaning that the financial losses on unfulfilled contracts would be a multiple of the contract itself. Apart from stocks, losses could be incurred as a result of the following: loss of business for freight-forwarding companies, cancellations of ocean freight, rail and truck hauls; insurance claims on cargoes; and abrogation of contracts up and down the food chain.

With only a partial and untested 'Bioshield' system in place, one likely scenario is that US politicians would adopt a unilateral response to what is an international problem in the face of a bioterrorist attack. Whether it's cross-border winds or the globalization of our food chain, the fact remains that much of our own vulnerability rests with imported pathogens. The US cannot seal off its territory from these pathogens. By attempting to do so, the government would make matters worse in the absence of uniform international security and surveillance systems.

The appropriate counter-terrorist response requires a global security system for sharing research, findings and coordinating strategies with trading partners where the United States sources and sells much of its food. Present policies risk the kind of economic repercussions experienced with Japan in the aftermath of the three-day soybean embargo imposed by the United States in 1973, which became a major shoku in Japan's economic history. Concern over food security, rooted in the soybean embargo, inspired the first and ultimate line of defense in Japan's resistance to liberalizing international trade rules for the agricultural sector.

COUNTERATTACKS

The first priority to combat these threats is to invest in the creation of pathogen-resistant crops through genetic engineering. The National Plant Genome Initiative (Washington, DC, USA) is an international collaboration between academia and the private sector to build a plant genome research infrastructure targeted at sequencing model plant species and therefore identifying genes associated with disease resistance. Together with information concerning large-animal genomes—the cattle genome is anticipated soon—genomic information can be applied to develop new strains of plants and livestock resistant to animal and plant pathogens likely to be used by terrorists. The US Department of Agriculture's (Washington, DC, USA) newly sponsored research centers and other joint government and private sector initiatives inside and outside the United States could also contribute to the search for resistant strains of livestock. In addition, short-term virus testing and monitoring measures can be adopted to address the problem of increased susceptibility of livestock to disease due to changes in cattle feeding and meatpacking. The discovery earlier in 2004 of a BSE-infected Holstein cow in the United States demonstrated that the monitoring and surveillance system in place is insufficient for rapid detection purposes.

There is also an immediate need for a stronger set of regulations that feature comprehensive coordination of research, detection and surveillance on both national and international fronts. Private industry partners in this undertaking must be treated equitably and fairly with a greater effort to broaden industry representation. The easiest step that can be taken to strengthen US defenses is to initiate and fund an intensive personnel training program to meet CBPA (Customs and Border Protection Agency) and FDA's ambitious program benchmarks for field operations, including port inspections, staffing and personal training, and industry registrations. We still lack uniform and consistent enforcement standards for industry and government agencies. Although that is the 15-year goal of the Automated Commercial Environment (ACE) run by the US Customs, nothing in place can accommodate different information and reporting systems in both the government and the private sector.

Longer term measures should include accelerated research programs and an integration and internationalization of policy planning and enforcement. Although the target is to create a practical system of defense for the US food chain, new endeavors to foil terrorists also can result in a broader international system of preparedness. Lifting the siege is the first step.

INTRODUCING BILL TO BRING UNIVERSAL FOUR-YEAR-OLD KINDERGARTEN TO D.C. AND NATIONWIDE

HON. ELEANOR HOLMES NORTON

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Ms. NORTON. Mr. Speaker, I am introducing today on Read Across America Day the Universal Pre-Kindergarten and Early Childhood Education Act of 2005 (Universal Pre-K) to begin the process of providing universal, public school pre-kindergarten education for every child, regardless of income. The bill is meant to fill the gaping hole in the President's No Child Left Behind law, which requires elementary and secondary school children to meet more rigorous standards while ignoring the preschool years which can best prepare them to do so. My bill would provide a breakthrough in elementary school education by taking a step at the federal level to provide initial funding and, using such funding, to encourage school districts themselves to add a grade to elementary schooling at age four as an option for every child.

I often read to kids on Read Across America Day. However, symbolic actions won't do as we blithely let the most fertile years for reading go by while we wonder why we can't teach Johnny to read. As the President presses No Child Left Behind into high schools, my bill asks him to begin at the beginning of a child's education.

The Universal Pre-K Act responds both to the huge and growing needs of parents for educational childcare and to the new science showing that a child's brain development, which sets the stage for lifelong learning, begins much earlier than previously believed. However, parents who need childcare for their pre-K age children are rarely able to afford the stimulating educational environment necessary to ensure optimal brain development. Universal Pre-K would be a part of school systems, adding a new grade for 4-year-olds similar to 5-year-old kindergarten programs now routinely available in the United States. Norton said that the bill would eliminate some of the major shortcomings of the uneven commercial day care now available and would assure qualified teachers and safe facilities.

Because of decades of refusal by Congress to approve the large sums necessary for universal health coverage, the Universal Pre-K Act encourages school districts across the United States to apply to the Department of Education for grants to establish 4-year-old kindergartens. Grants funded under Title IV of the Elementary and Secondary Education Act (ESEA) would be available to school systems which agree in turn to use the experience acquired with the federal funding provided by my bill to then move forward, where possible, to phase in 4-year old kindergartens for all children in the school district in regular classrooms with teachers equivalent to those in other grades as part of their annual school district budgets.

The success of high quality Head Start and other pre-kindergarten programs combined with new scientific evidence concerning the

importance of brain development in the early years virtually mandate the expansion of early childhood education to all of our children. Traditionally, early learning programs have been available only to the affluent and to lower income families in programs such as Head Start. My bill provides a practiced way to gradually move to universal pre-school education. The goal of the Universal Pre-K Act is to bring the benefits of educational pre-K within reach of the great majority of American working poor, lower middle class, and middle class families, most of whom have been left out.

In a letter to Congress last term opposing private school vouchers, City Council Member Kathy Patterson suggested that instead of vouchers, Congress should fund a number of unfunded D.C. public school priorities, including pre-K education for all 4-year old children. She said that although universal 4-year old pre-K was a top D.C. priority, the city has been able to provide this schooling to only half of its children from local tax revenue.

Compare the cost of day care, most of it offered today with an inadequate educational emphasis, at an average cost of $6,171 per year to the cost of in-state tuition at the University of Virginia, which costs $6,785 per year. Yet, more than 60% of mothers with children under age six work. That proportion is rapidly increasing as more mothers enter the labor force, including mothers leaving welfare, who also have no long term access to child care.

Considering the staggering cost of daycare, the inaccessibility of early education, and the opportunity earlier education offers to improve a child's chances in life, four-year-old kindergarten is overdue. The absence of viable options for working families demands our immediate attention.

RECOGNIZING LOIS GREENE FOR HER CONTRIBUTIONS TO THE LAS VEGAS COMMUNITY

HON. JON C. PORTER

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Mr. PORTER. Mr. Speaker, it is with great pleasure that I recognize Ms. Lois Greene for the contributions she has made to the people and communities of the Las Vegas Valley.

Ms. Greene's career of 25 years in banking and finance has enabled her to be an impassioned and pure advocate for small and minority owned businesses. Her commitment to God and her faith has been the key factor in her successful advocacy for non-profit organizations and the faith-based community. Out of her devotion to her ideals, she has helped transform the Las Vegas Valley and has brought hope to the residents that live there.

Without question, her professional leadership in community development has helped Bank West of Nevada achieve and maintain an outstanding compliance rating under the Community Reinvestment Act for the past 10 years. But also as remarkable, has been her work as the ''Economic Evangelist,'' helping lead countless men and women out of financial bondage and toward financial freedom and economic growth through her efforts to wage war on debt. As a result of her leadership, she has been recognized as a ''Woman of Distinction,'' ''The Most Influential Woman in Southern Nevada Business'' and the ''Minority Business Advocate of the Year.''

I applaud her for her commitment to improving the lives of southern Nevadans of every age group, but more importantly of our youth. Her life story of humble and impoverished beginnings is one that transcends the color line. It serves as a remarkable example that hard work, determination, compassion and faith in God can overcome the stumbling blocks that were historically designed to oppress American minority groups. Therefore, her accomplishments are a triumph and her story is an example of success with which countless numbers of young people have found inspiration.

Mr. Speaker, in recognition of her accomplishments, I honor her today and during Women's History Month, so that our Nation will be aware of her service and commitment to helping others become self-sufficient and realize their American dream. I am proud to represent her in Nevada's Third District.

HONORING JUDY GUERRA

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Mr. BURTON of Indiana. Mr. Speaker, across America you can find people who make a difference in their community. Usually in quiet unassuming ways every day they help change the lives of people with whom they work and the neighborhoods they call home. Tonight, I rise to pay tribute to one such person, an outstanding and unforgettable woman from Indianapolis, Judy Guerra. Living by the very simple credo, ''you get what you give'' Judy has made such a tremendous difference in her community.

A mother of two, grandmother to seven, and a successful businesswoman, Judy truly embodies the spirit of community service and friendship that we strive to live by. Whether its sponsoring a local girls little league team, or opening her restaurants for fundraisers for the Multiple Sclerosis Society, the Children's Bureau of Indianapolis, Butler University's Armed Forces Scholarship fund or just the local Christmas food drive, if there is a need, Judy unselfishly and tirelessly gives of herself to meet the challenge headon.

Judy Guerra does not belong to St. Joan of Arc or Christ the King Church but they are the lucky beneficiaries of her generous donations. Why? Because these churches are located in her neighborhood and giving back to all sectors of the community resonates deep within this Hoosier. When senior citizens on fixed incomes visit Judy's ''Just Judy's'' restaurant it's not unusual for them to receive a larger than normal serving of soup or extra sandwich to accompany the friendly service with a smile. If a local family finds themselves fallen upon hard times they know their troubles can be left at the door as Judy and her daughters will welcome them with open arms and perhaps a sampling of the day's ''new recipes.'' And what makes every small act of concern and each gesture of kindness so remarkable is that they are simply second nature to Judy, as unconscious as breathing. As her friend Maureen Cox said to me in an e-mail, ''If there is a national award for generosity, Judy Guerra is our person,'' and I heartily agree.

Mr. Speaker, Judy Guerra is an amazing woman, an ordinary person who reaches beyond herself in every way to bring hope, and opportunity, friendship and caring to everyone around her. I am proud to call her a fellow Hoosier and privileged to honor her here today.

THE SILVERY MINNOW AGREEMENT

HON. TOM UDALL

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Mr. UDALL of New Mexico. Mr. Speaker, water is a precious natural resource that we must manage as efficiently as possible. Benjamin Franklin wrote in Poor Richard's Almanac in 1746, ''When the well is dry, we know the worth of water.'' In parts of the West, the well is quickly running dry.

Drought conditions have affected nearly everyone in arid Western States in one way or another. Farmers are being forced to sell livestock, many cities are in various stages of water conservation, and many acres of land have been charred by fire. I believe we must use every tool available to confront these water problems, and doing so remains one of my top priorities.

We need to come at this from many different angles since water shortages present a multitude of complications. That is why I have crafted several pieces of legislation that focus on rural communities, water technology and augmentation, and insidious plant eradication.

I believe the combined effect of those bills plus continued efforts in desalination and formation of a national water council will greatly improve the situation of dry States like New Mexico.

Last week, a historic and long overdue agreement was announced in New Mexico regarding the silvery minnow. After five and a half years of court proceedings, not to mention millions of dollars in legal costs, the City of Albuquerque and an alliance of six environmental groups announced an agreement that will help ensure the endurance of the Rio Grande. The accord signals that water conservation and ecological goals on the Rio Grande are vital.

As part of the agreement, litigants in Silvery Minnow v. Keys agreed to drop any claim on the San Juan-Chama water for minnow purposes, as well as end their protest to Albuquerque's drinking water project and diversion of San Juan-Chama water from the Rio Grande. At the same, the City of Albuquerque has agreed to significant conservation measures that acknowledge the need for water to sustain the river itself as an ecosystem.

The project has been in legal jeopardy because the Endangered Species Act and the

city's agreement with the Federal Government to transfer water from the Colorado River to the Rio Grande basin also recognize an essential need to use that water for ecological purposes.

The agreement gives the city and its residents legal relief, while requiring the city to do several things to protect the Rio Grande as a living, flowing, natural system.

Mr. Speaker, I am proud that the agreement reached encompasses a central component that I advanced through legislation in 2003. I introduced the Middle Rio Grande Emergency Water Supply Stabilization Act in an effort to find a common-sense approach to sustainable water management in New Mexico. I knew then that the ''solutions'' being bandied about were little more than quick-fix answers that would not solve our real water crisis.

My bill dealt with these realities and many other crucial issues. It set up incentives to conserve our water resources and develop collaborative solutions at the local level. It aimed to restore and protect the Rio Grande River and the surrounding Bosque, and encouraged technological solutions for new sources of water and methods to harness such technology to increase water efficiency.

My bill paved the way for the creation of a conservation pool of water to support a living river. This was a very different approach than advanced by others. The Albuquerque City Council and a host of other entities, including conservation groups, farmers, the New Mexico Conference of Churches, and AARP New Mexico endorsed my legislation.

I am pleased that the accord reached by the city and the environmental groups includes my provision. Indeed, for the first time on the Rio Grande space will be allocated in the city's Abiquiu reservoir for water that will be dedicated to environmental purposes, including sustaining endangered species such as the Rio Grande silvery minnow. Under the deal, Albuquerque has committed to provide 30,000 acre-feet of storage space for exclusively environmental purposes.

In addition, the city committed to help fund a $250,000 pilot water leasing program that would pursue agricultural water for environmental purposes, and change its water billing system to allow residents to add $1 per month to their bills to fund environmental water acquisition for the Rio Grande.

While the agreement is welcome, our work is just beginning. The White House's 2006 budget requests $19 million in Bureau of Reclamation funds for the Middle Rio Grande Project. That represents a $10.2 million cut over current spending. At least $4 million would be cut from funds available for activities to maintain compliance with the Endangered Species Act.

In 2003, the Department of the Interior developed a 10-year plan to ensure a manageable balance between endangered species and water use in the Middle Rio Grande. Implementation of that plan, by the department's own estimates, will exceed $230 million. Yet, over the last three years, the Bush administration has only proposed investing $19.4 million.

Making matters worse, the fiscal year 2006 Fish & Wildlife Service budget calls for eliminating $542,000 in funding for the Middle Rio Grande Bosque initiative, labeling it a ''lower priority project.''

Without support from the Bush administration, it will be more and more difficult to maintain the balance that is desperately needed. I will again do everything I can to see that these disastrous reductions are reversed.

Mr. Speaker, to be a conservationist is to be an optimist. While I wanted all of the stakeholders to reach this agreement much sooner, I am glad that consensus has finally been achieved. It represents a significant step toward a fundamental change in how New Mexico and other Western States think about and manage crucial and limited water resources. As we approach similar confrontations in the coming years, I believe that we can use this historic pact as proof that seemingly divergent parties can reach a mutually acceptable and beneficial agreement.

IN HONOR AND REMEMBRANCE OF ROBERT C. ''BUDDY'' BENSON

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Mr. KUCINICH. Mr. Speaker, I rise today in honor and remembrance of my dear friend, Robert C. ''Buddy'' Benson, loving husband, father, grandfather, great-grandfather, civic activist, community leader, humanitarian, United States Veteran, and dear friend and mentor to many. His passing marks a great loss for his family and friends, and also marks a great loss for everyone whose life was touched by his own.

Grounded and humble, Mr. Benson was the quintessential ''everyman,'' yet his seemingly ordinary life belied his extraordinary heart and generous spirit. He would stop whatever he was doing to offer a helping hand. On countless occasions, regardless of the weather, he would stop his car to help stranded motorists. Mr. Benson was a hero to the downtrodden, and consistently reached out to offer assistance to those who struggled in life, leaving a life-long legacy of endless acts of kindness offered to friends and strangers alike.

Dolores Benson, Mr. Benson's beloved wife of 58 years, their seven children, eleven grandchildren and two great-grandchildren were central to his life. The united focus on family and service to others, shared by Mr. and Mrs. Benson, continues to illuminate the hope and promise of a better day for every citizen of this working-class community, from Seven Hills to Parma.

Mr. Benson retired from LTV Steel following 40 years of diligent and honorable work as a millwright. His friendly nature, quick wit and caring heart drew others to him, and he made friends easily. Concerned with the welfare of fellow workers and their families, Mr. Benson became actively involved in the steelworkers union. He held the position of treasurer with the United Steelworkers Local 2265 for 7 years, and served as their Chairman of the Compensation Committee for 35 years.

His life-long interest in politics and strong faith in the notion that ''together, we can make a difference,'' served to enrich our community's Democratic Party. Mr. Benson served as the president of the Seven Hills Democratic Club from 1983 to 1999, and led the effort in organizing several political campaigns. His humble nature precluded him from reveling in awards and accolades. However, his compassionate service to others was often recognized. In 1994, the Seven Hills Democratic Club named him ''Democrat of the Year.'' He was the recipient of citations from the Ohio House of Representatives and the Ohio Senate Committee, which highlighted his humanitarian efforts.

Mr. Benson's faith was anchored by his church, St. Anthony of Padua, where he was also a founding member. He volunteered on many community boards, including Pius X Council, VFW Post 1973, CAMEO, Southwest COPE, (AFL–CIO), and the Finance Committee of St. Anthony's.

Mr. Benson's greatest legacy is reflected in the lives of his family and friends; within the peaceful calm of St. Anthony's Church; within the energy of the Seven Hills Democratic Party, along the halls of Parma City Hall, and within the hearts of everyone whose life was touched by his.

Mr. Speaker and Colleagues, please join me in honor and remembrance of Robert C. ''Buddy'' Benson. The infinite measure of his heart, his courage, vision and integrity, defined his life and served to lift the lives of countless individuals and families throughout our west side suburbs. Mr. Benson's kindness, energy and compassion will be greatly missed within the hearts of his many friends, including my own. I extend my deepest condolences to his beloved wife, Dolores; His children, Robert, Jacqueline, Patrick, Mary, Elizabeth, Denis and Christine; His grandchildren, Gina, Kimberly, Bryan, Colleen, Robert, Michael, Christopher, Lauren, Christopher, Stephanie and Nicholas; His great-grand daughters, Callie and Allison.

Robert C. ''Buddy'' Benson lived his life with joy, energy and in unwavering service to others. His eternal faith in humanity and his consistent willingness to give of himself, while asking for nothing in return, will continue to serve as a powerful legacy of hope and possibility throughout our entire community, and his kindness and service will forever live within the hearts of all who knew and loved him well.

PERSONAL EXPLANATION

HON. CHARLIE MELANCON

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Mr. MELANCON. Mr. Speaker, on rollcall No. 41, had I been present, I would have voted ''yes.''

IN HONOR AND REMEMBRANCE OF DAVID J. O'REILLY

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Mr. KUCINICH. Mr. Speaker, I rise today in honor and remembrance of David J. O'Reilly,

devoted husband, father, brother, uncle, friend, and dedicated public servant. Mr. O'Reilly's commitment to the safety of Cleveland residents and concern for those less fortunate, defined his tenure of nearly two decades of outstanding public service as a police officer in Cleveland's 4th District.

Mr. O'Reilly, a life-long Clevelander, graduated from Benedictine High School. Throughout his entire adult life, Mr. O'Reilly remained committed to the welfare of his Slavic Village neighborhood. Affectionately known as the ''Mayor of Fleet Avenue,'' Mr. O'Reilly was a role model to neighborhood kids, and was a friend to our most fragile citizens, our homeless. Mr. O'Reilly's bravery and strength as a police officer was equaled by his kind and generous heart. He consistently provided a hot meal or kind word to a person or family in need.

Mr. O'Reilly treated everyone with dignity and respect, regardless of their social status. He was just as comfortable in sharing a conversation with an elected official as he was in sharing lunch with a homeless man. His expansive heart and concern for others extended beyond the 4th District. He volunteered throughout the community, teaching community safety to neighborhood groups, and he also held leadership positions on the boards of many community organizations, including the Holy Name Society, St. Michael Hospital Community Board, and the Cleveland Police Patrolmen's Association.

Mr. Speaker and Colleagues, please join me in honor, gratitude and remembrance of Mr. David J O'Reilly. As a police officer, Mr. O'Reilly dedicated his professional life to the safety of his officers, and the safety of the entire Slavic Village community. I extend my deepest condolences to his beloved wife, Denise; his beloved daughter, Rebecca; his beloved son, James; and also to his extended family and many friends. His courage and kindness will live on forever within the hearts and memories of his family, friends, and the public he so faithfully served.

''JACKIE ROBINSON'S TRYOUT WITH THE BOSTON RED SOX, APRIL 1945''

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Mr. FRANK of Massachusetts. Mr. Speaker, this week the U.S. Congress is honoring one of the true giants of sports history, Jackie Robinson.

There is a little-known chapter in Mr. Robinson's career that is chronicled in the attached narrative. That chapter details an act of courage and creativity in the political life of Boston by Isadore Muchnick, a Boston City Councillor who served in the 1940s in the city. He deserves recognition for his achievement in obtaining a tryout for Jackie Robinson with the Boston Red Sox.

It also puts in context the courage and determination that Jackie Robinson displayed throughout his long and illustrious career in baseball.

It is a privilege for me to place this excerpted chapter, from the book ''Shut Out: A Story of Race and Baseball in Boston'' by Howard Bryant, into the RECORD.

JACKIE ROBINSON'S TRYOUT WITH THE BOSTON RED SOX, APRIL 1945, EXCERPTED FROM ''SHUT OUT: A STORY OF RACE AND BASEBALL IN BOSTON,'' BY HOWARD BRYANT

Virtually everything about Boston baseball is conditional. What would have happened if . . .

So who knew that on April 16, 1945, the Red Sox would once more approach history's intersection? With FDR on his deathbed and World War II winding down, fate and the last vestige of a city's social conscience conspired and put the Red Sox in a historic position.

At the end of World War II, the question of black rights in America was again relevant. Asking black soldiers to fight and die for the liberty denied them at home created renewed dialogue.

Now, baseball found itself at the center of the argument. Black soldiers could not die on the battlefield and still be prohibited from playing center field in the major leagues.

Segregation was an unbreakable rule. That blacks played in separate leagues was a practice that went largely unquestioned. When debate was stirred, either from a relentless black press or from the few mainstream white reporters who made integration a cause, there was always a reason why the time was not prudent for the majors to open their doors to blacks. The only groups that were truly vociferous in their appeals stood on the fringes of the mainstream.

But during the latter half of 1944 and in the early months of 1945, Eddie Collins was uncomfortable. He was the vice president and general manager of the Red Sox and was now being pressured by Isadore Muchnick, a liberal Jewish city councilor, who demanded the Red Sox begin offering some form of talent evaluation of black players.

It was a threatening concept. Baseball prohibited black players from the major leagues in 1884, and no serious challenges to that authority had arisen. The desire to keep blacks out of the major leagues existed in great degree from the players all the way to the commissioner's office.

Shunned, blacks created their own leagues, and the races played the same game on patently uneven tracks. To some, the very existence of the Negro leagues was proof that blacks didn't care to play in the big leagues.

Yet here was an emboldened Muchnick, potentially unsettling the balance. For emphasis, he approached Collins with a hammer. In those days in Boston, a permit was required to play baseball on Sundays. The city council required a unanimous vote for the permit to be granted. Muchnick told Collins he would withhold his vote unless the Red Sox agreed to sponsor a tryout for black players, a potentially crippling financial blow.

This was a new pressure. Led by Muchnick's threat and with consistent commentary in the black press (and to a lesser degree the mainstream), integration advocates pushed baseball as they hadn't before the war.

Dave Egan from the Boston Record pushed in his column for the Red Sox or the Braves to be consistent with the Boston pedigree and lead the major leagues into a new, integrated era.

Wendell Smith, columnist from the black weekly Pittsburgh Courier, joined Egan in challenging Collins as well as other general managers across the league to offer tryouts to black players. Sam Lacy of the Baltimore Afro-American had vainly tried to push for integration in 1939. In 1945, Lacy and Collins began corresponding about integration.

It was, however, Muchnick's voice and clout that turned a cadre of disparate voices into something of a movement. Mabray ''Doc'' Kountze, perhaps the preeminent black reporter in Boston, referred to Muchnick as a ''white modern abolitionist.''

Muchnick was the first person in the modern era to pressure baseball's power structure and come away with a tangible result. The Boston Red Sox would be the first team in the twentieth century to hold a tryout for black players.

''I cannot understand,'' Muchnick wrote to Collins in late 1944, ''how baseball, which claims to be the national sport and which . . . receives special favors and dispensation from the Federal Government because of alleged moral value can continue a pre-Civil War attitude toward American citizens because of the color of their skins.'' What Collins did next was a clear reflection of both the unassailable mindset of baseball as well as the arrogance of the Red Sox.

''As I wrote to one of your fellow councilors last April,'' Collins replied to Muchnick in a letter, ''I have been connected with the Red Sox for twelve years and during that time we have never had a single request for a tryout by a colored applicant. It is beyond my understanding how anyone could insinuate or believe that all ball players, regardless of race, color or creed have not been treated in the American way so far as having an equal opportunity to play for the Red Sox.''

Collins' cordial inaction insulted Muchnick, who pressed further. Collins had no intention of even granting the tryout, but he had badly underestimated Muchnick's tenacity. Collins was used to being in a position of strength when he dealt with baseball issues, but it was clear that he couldn't say a few positive, encouraging words to rid himself of Isadore Muchnick, a man who was determined to see tangible progress. When he received no satisfaction from their written correspondence in 1944, Muchnick alerted Collins to his intention to block the Red Sox from playing baseball on Sundays. It was a potentially crippling blow. In the 1940s, baseball clubs were almost completely dependent upon gate receipts as a revenue source. To infringe on that would surely get the attention of any baseball owner.

Jackie Robinson was fatalistic about the tryout. He didn't believe the Red Sox were serious about integration and wasn't especially thrilled about his own situation. He had only played for the Negro League's Kansas City Monarchs for a few weeks and was already disappointed by the league's air of gambling and disorganization.

When Robinson arrived in Boston, the tryout was delayed for two more days in the wake of Franklin Roosevelt's death.

[It] finally took place at Fenway Park at eleven on the morning of April 16, 1945. Two above-average Negro leaguers, Sam Jethroe and Marvin Williams, joined Jackie Robinson. The players fielded, threw, and took batting practice. [Manager Joe] Cronin sat, according to one account, ''stone-faced.'' Another depicted Cronin barely watching at all. Muchnick marveled at the hitting ability of Robinson, whose mood apparently darkened. Joe Cashman of the Boston Record sat with Cronin that day and reported that the manager was impressed with Robinson. He wrote cryptically, with virtually little comprehension, that he could have been witnessing a

historic moment. ''Before departing, Joe and his coaches spent some 90 minutes in the stands at Fenway surveying three Negro candidates. Why they came from such distant spots to work out for the Red Sox was not learned.''

Robinson himself was satisfied with his performance, although by the time he left Fenway he was smoldering about what he felt to be a humiliating charade. As the three players departed, Eddie Collins told them they would hear from the Red Sox in the near future. None of them ever heard from the Red Sox again.

Eighteen months later, the Dodgers signed Robinson, who would begin a legendary career a year and half later. Jethroe, at age thirty-three, integrated Boston pro baseball with the Braves in 1950 and would become the National League Rookie of the Year. Williams would stay in the Negro leagues, never again coming so close to the majors.

The remaining details of that morning are completely speculative. Robinson never spoke in real detail about the tryout. Joe Cronin never offered a complete account about the tryout except to say that he remembered that it occurred, although he and Robinson would never speak.

Thirty-four years later, Cronin explained the Red Sox position as well as the game's:

''I remember the tryout very well. But after it, we told them our only farm club available was in Louisville, Kentucky, and we didn't think they'd be interested in going there because of the racial feelings at the time. Besides, this was after the season had started and we didn't sign players off tryouts in those days to play in the big leagues. I was in no position to offer them a job. The general manager did the hiring and there was an unwritten rule at that time against hiring black players. I was just the manager.

''It was a great mistake by us. He [Robinson] turned out to be a great player. But no feeling existed about it. We just accepted things the way they were. I recall talking to some players and they felt that they didn't want us to break up their league. We all thought because of the times, it was good to have separate leagues.''

Clif Keane would give the day its historical significance. A reporter for the Globe, Keane said he heard a person yell from the stands during the tryout. The words—''Get those niggers off the field''—were never attributed to one person, but they have haunted the Red Sox . . . Numerous Red Sox officials have been credited with the taunt, if it was ever said at all.

What cannot be disputed about the events of that April day are the final results and the consequences that followed. It was an episode from which the reputation and perception of the franchise have never recovered.

''I still remember how I hit the ball that day, good to all fields,'' Robinson later said. ''What happened? Nothing!''

Thus the tryout ended bitterly for Jackie Robinson. But that evening, he accepted a dinner invitation at 9 Powelton Road in Dorchester. It was the home of Ann and Isadore Muchnick, the city councilor who pressured Eddie Collins and arranged the Boston tryout. Why young Robinson, who was 26 at the time, would be invited to dinner made perfect sense to Ann Muchnick. Fifty years later, she would recall the reason with a warm smile. ''Because no one else asked him.''

Isadore Harry Yaver Muchnick was born on January 11, 1908, in Boston's West End, on a residential neighborhood that no longer exists. There existed among the four children of Joseph and Fannie Muchnick strong beliefs in justice, fairness, competition, accomplishment, and the power of education. All four children of these Russian Jewish immigrants would attend college. Izzy received the first double promotion at the renowned Boston Latin School since Benjamin Franklin. He played goal in college hockey and lacrosse, lettering in lacrosse for Harvard in 1928.

Activism was a trademark for Izzy Muchnick from almost the very beginning. [H]e and his wife Ann were active in HIAS, the Hebrew Immigrants in America Society, and Hadassah, the women's Zionist organization, as well as numerous other Jewish organizations in Boston.

Izzy Muchnick commanded a principled, homespun rhetoric and possessed a natural political sense that would serve him well throughout his life. He taught his children lessons laced with humor, always containing morals of family and simple decency.

Being Jewish in 1940s America carried a considerable weight of prejudice, but Muchnick possessed a skill and integrity that led him to be respected by both the Irish, who controlled city government, and the entrenched Yankees, who dominated Boston's cultural, legal, and financial world. He did this without becoming an outcast from his own community, and such a balance required real political skill.

Muchnick graduated from Harvard College in 1928 and from Harvard Law in 1932. The Yankee law firms that wanted [to hire] him also wanted something else in return for their lucrative offers: A name change. ''Muchnick'' was too ethnic, too Jewish. It wasn't a request that Muchnick was asked to think over. That was a condition of employment. Muchnick responded by opening up his own law firm.

If there existed in Isadore Muchnick the indignant streak of a person straddling two entrenched worlds, it was in the political realm where he felt he could best remedy injustices. [A]fter being elected to the city council in 1941, Muchnick found himself in constant opposition to the majority. He fought for equal pay for women in the city's patronage jobs and supported a redistricting of the city's schools that would have created some integration of public schools long before the eruptions of the 1970s. He was a classic East Coast liberal.

There was something about Muchnick, something both admirable and self-destructive about his unfailing adherence to his principles. Both of his children would marvel at the number of times their father would align with the underdog. In her personal papers, his wife Ann would note how much her husband gave of himself, often at the expense of more lucrative prospects. He consistently found himself on the minority side of issues.

Perhaps even had he wanted to opt for safer ground, his personal convictions wouldn't allow it. In this regard he found kinship with the uncompromising Robinson.

The duplicity of baseball angered Izzy Muchnick. He was a Red Sox fan, but the game's contradictions conflicted with his worldview. If it was the game that was supposed to represent the goodness of America, the ultimate arena of fairness, how could it be staunchly segregated? How, he wondered, could this impregnable line of segregation—which baseball maintained did not exist—go unchallenged for so long? Blacks were relegated to the inferior Negro leagues, went the baseball rhetoric, because they liked it there.

Perhaps even more than the game's obvious contradictions, it offended Muchnick that its government-endowed protection against competition and uncontested national standing produced in team owners a certain kind of arrogance. Their dance around integration was especially off-putting to a man of his credentials. No law prohibiting black players existed in the league's charter, although no team had fielded a black player since 1884.

For a man for whom standing on the right side of an issue was an absolute must, history would not be kind to Isadore Muchnick.

[H]is reputation, in fact, would be destroyed by one [myth] that would be repeated so often that it became fact. Instead of being known as the first politician to use his clout courageously and confront a resistant power structure, Muchnick emerged as something worse than forgotten, as the opportunistic, oily politician who sought to exploit both Robinson and the black struggle for civil rights.

Al Hirshberg, one of the first Jewish sportswriters in Boston, wrote in his 1973 book What's the Matter with the Red Sox? that Wendell Smith was the architect behind the tryout and that Muchnick saw a solution to a precarious political future:

''Wendell Smith, a television news announcer in Chicago before his death, had been fighting the color line for years as sports editor of a Negro newspaper in Pittsburgh. Because of a quirk in Boston's Sunday baseball law, he saw a chance to force one of the Boston clubs to give black players a tryout in the spring of 1945.

''At the time, although Boston had had Sunday baseball for some years, the law Smith found was that it had to be voted on unanimously for renewal every year by the Boston City Council. One of the council members, Isadore H.Y. Muchnick, represented Roxbury, originally a Jewish stronghold but becoming predominately black. Smith suggested to Muchnick that he could insure a big black vote in his district by withholding his vote for Sunday baseball until one of the two ball clubs tried out a few black players.''

In Baseball's Great Experiment: Jackie Robinson and His Legacy, Jules Tygiel wrote that in Boston, ''The Red Sox and Braves found themselves in a curious position as they prepared to start the new season. The city council, under the leadership of Isadore Muchnick, a white politician representing a predominately black district, was pressuring the two teams to employ blacks.''

Arnold Rampersad's thorough Jackie Robinson: A Biography stated, ''behind the tryout was the action of a Boston city councilman and Harvard College graduate Isadore H.Y. Muchnick. In 1944, seeing his constituency change steadily from mainly Jewish to mainly black, Muchnick joined the ragtag band of critics fighting Jim Crow in baseball.''

These historical accounts were not only inaccurate but were also a reflection of the crudity of the conventional thinking. The only reason Muchnick would become involved, so went the thinking, was to win a political prize. In the eyes of his children, it was not an innocent journalistic mistake that snowballed. Rather, the result, thought Fran Goldstein, was the permanent besmirching of her father's name. Muchnick was accused of acting to ingratiate himself to a new black constituency, but in 1940, Izzy Muchnick's Mattapan district was 99.69 percent white. In 1950, it was 99 percent white. During that year, 439 nonwhites lived among

the district's 51,170 residents. In two of his elections, Muchnick ran unopposed. In short, there was no black vote for Muchnick to exploit, nor was there during the 1940s any difficult election year for him. It wasn't until the middle to late 1960s, after Muchnick was dead, that his old district turned from Jewish to black, which occurred long after Muchnick traded bitter letters with Eddie Collins. Hirshberg once apologized to Muchnick's son David for the error.

Outside of his personal commitment to fairness, Izzy Muchnick had no political motive to act on behalf of blacks. There weren't yet many blacks to work for in the first place.

How Muchnick's name was not only omitted from the Robinson tryout but was also subsequently brutalized in the retellings of the event is open to troubling interpretations.

The truth, however, is that the first American politician to disrupt the idea of segregated baseball and emerge with a result was Isadore Muchnick, the former Hebrew School teacher who could have made a fortune in a Yankee law firm had he only changed his name.

Muchnick pressured the Red Sox to integrate because he was the rare person who—like Robinson—often placed principle in front of political or personal pragmatism.

Glenn Stout, who along with Dick Johnson would write the most complete book ever on the history of the Red Sox franchise, never believed that Muchnick approached the Red Sox with the intention of receiving anything.

''It's much more the opposite. Looking at what he did I'm sure was not very popular. Otherwise, he wouldn't have been the only one hanging out there. You could say that what he did was political suicide.''

What did emerge after the failed tryout of 1945 was a legitimate friendship between Jackie Robinson and the Muchnick family. When Robinson was signed by the Dodgers, Muchnick wrote him a letter that read in part, ''My congratulations and best wishes to you on your well-deserved promotion to the Brooklyn Dodgers! Since the day when you first came here with Wendell Smith of The Pittsburgh Courier and I arranged for you and two other boys to get a tryout with the Boston Red Sox, I have naturally followed your career with great interest. I have every confidence you will make the grade.''

The Muchnick house became a regular stop for Robinson when the Dodgers came to town to play the Boston Braves. After Robinson retired, he sent Muchnick a copy of his autobiography with journalist Carl Rowan with the inscription, ''To my friend Isadore Muchnick with sincere appreciation for all you meant to my baseball career. I hope you enjoy 'Wait Til Next Year.' Much of it was inspired by your attitudes and beliefs.''

Izzy and Jackie remained in frequent contact over the years. Robinson and one of his sons came to Boston at Muchnick's invitation to speak at a father-and-son breakfast at Muchnick's synagogue. The two men engaged in heated debate about the 1960 presidential election. Muchnick was a lifelong Democrat, and Robinson, in a move he would later regret, backed Nixon.

There was a clear spiritual connection between Robinson and Muchnick. Robinson, battered and weary from the fight, died too young of a heart attack in 1972. He was only fifty-three years old. Isadore Muchnick died nine years earlier, in 1963, but he was just as young, fifty-five at the time. His will to live, David Muchnick believed, was enormous. Over his final five years, Muchnick suffered seven heart attacks. On a rainy night in 1957, Muchnick received a frantic call at 5 A.M. from a former city councilor's wife. Her husband had gone out drinking and had not come home that night. Muchnick crawled out of bed and went out into the drizzly Boston night to look for his old colleague. At 9 A.M., Ann Muchnick received a phone call of her own. Izzy had suffered a major heart attack and had been rushed to Massachusetts General Hospital, which sits in Boston's old West End near Izzy Muchnick's boyhood home.

It was Muchnick who used his influence to push the door open, to force the Red Sox and baseball to publicly face itself. Even if Joe Cronin and Eddie Collins weren't paying attention, Branch Rickey most certainly was. Slowly, the landscape began to change.

In 1998, Ann Muchnick died. She was eighty-nine. In prior years, the daughter asked for family information and the mother obliged with poignant recollections. She wrote that her husband ''was a wonderful man . . . helped so many, so many abused his help, took advantage of him. I could name dozens, but better forgotten.'' They also spoke of Jackie Robinson not as the man spurned by the Red Sox, but as their friend.

''It was the Red Sox's loss,'' Ann Muchnick said of the whole tryout affair. ''It wasn't his loss. Look at the career he had. He lost nothing. It was the Red Sox who lost everything.''

In Robinson's autobiography with Carl Rowan lay another tribute to Muchnick. ''Without the pushers and the crusaders, the waiters wait in vain; without people like Damon Runyon, and Branch Rickey, Wendell Smith and Isadore Muchnick, Jackie and the Negro might still be waiting for their hour in organized baseball.''

In the end, the Robinson tryout failed because the Boston Red Sox were reticent from the outset. Led by Eddie Collins, the club had no real intention of acting beyond that April morning or as history would show for more than a decade thereafter. Within the organization, there was no guiding force, no catalyst with the vision to make integration a reality, and in years to come this would become the critical characteristic of the Boston Red Sox regarding race. Had there been a central figure in Boston, a Branch Rickey or even a Gussie Busch, who provided some form of vision, the Red Sox script would indeed have been different. It is more than a little damning that the months before the tryout and even after, it was Collins who represented the club and not Tom Yawkey, who stood invisible. At a time when the Red Sox stood at the precipice of baseball history, the team's owner lay deep in the background. Tom Yawkey was the only figure in the organization with the power to act boldly, and whether or not he harbored a personal dislike for blacks is secondary to his silence. That silence, in effect, would become a closing indictment. No different than the curved maze of streets in its city, the Red Sox lacked a clear-cut moral direction on race; against this, the combined pioneering spirit of Isadore Muchnick and Jackie Robinson never stood a chance.

IN HONOR AND REMEMBRANCE OF SERGEANT MICHAEL FINKE, JR.

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Mr. KUCINICH. Mr. Speaker, I rise today in honor and remembrance of United States Marine Corps Sergeant Michael Finke, Jr., who courageously and selflessly rose to the call to duty and made the ultimate sacrifice on behalf of our country.

Sergeant Finke was an exceptional United States Marine and was an equally exceptional human being. His life was characterized by his unwavering sense of duty and commitment to our nation, and above all, his life reflected a deep dedication to, and steadfast focus on his family—his beloved wife Heather, his parents, sisters, brother, grandparents and many friends.

Sergeant Finke grew up in Medina, and shortly after high school graduation, he fulfilled his childhood dream by enlisting in the Marines. His eleven years of service was framed by honor, bravery and duty. Throughout his military journey, Sergeant Finke carried with him a strong foundation of faith, family and community. He quickly ascended through the ranks, and attained the title of Sergeant. His strong intellect and solid sense of integrity evenly matched his exceptional sense of humor and kindness toward others. Sergeant Finke's entire life—civilian and military, reflected his generous heart and sincere concern for the welfare of others. He often and easily offered his assistance to anyone in need, asking for nothing in return.

Mr. Speaker and Colleagues, please join me in honor and remembrance of Sergeant Michael Finke, Jr., whose heroic actions, commitment and bravery will be remembered always. I extend my deepest condolences to the family of Sergeant Finke—his beloved wife Heather; his beloved parents, Sally and Michael Sr.; his beloved stepparents Geoffrey and Nadine; his beloved sisters and brother, Trisha, Tonia and Tim; his beloved grandparents, Wayne Finke and Donna Thompson; and his extended family and friends.

The significant honor, sacrifice, service, and courage that defined the life of Sergeant Michael Finke, Jr., will be forever honored and remembered by the entire Cleveland community and the entire nation. And within the hearts of his family and friends, the bonds of love and memories created in life by Sergeant Finke will never be broken, and will live on for all time.

INTRODUCTION OF A RESOLUTION TO ALLOW HOUSE TO OBTAIN CRITICAL INFORMATION ON OUR NATION'S SINGLE EMPLOYER PENSION PLANS

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Mr. GEORGE MILLER of California. I rise to introduce a resolution for the purpose of allowing the House to obtain critical information

about the financial status of our nation's single employer pension plans. Current law requires this valuable information about pension plans to be kept secret. This is wrong. Employees and investors should know all the facts. Employees should be fully informed about financial health of their own plan, and use that information as part of their overall retirement planning. The President says he supports making the information public. I have introduced legislation making this information public. I hope Congress will act on this proposal when we take up pension legislation later this year.

For now, Congress should be fully aware of the financial health of the nation's top pension plans as it debates ways to strengthen defined benefit pension plans. This resolution will insure we get the data to make informed decisions. Recently, the GAO put the Pension Benefits Guaranty Corporation, PBGC, on its ''watch list'' for the second time in a row. The PBGC recently reported a $23 billion deficit for last year. Overall, PBGC reports that private pension plans are underfunded by some $450 billion, the largest amount in history. The Bush administration recently proposed hiking pension plan insurance premiums by $15 billion over the next 5 years, and proposes billions of dollars in accelerated pension contributions. And yet, we are being asked to consider such a proposal without current and accurate information about any individual company's funding status. This resolution requests the administration to provide us this information within 14 days, while protecting any proprietary information related to the sponsoring company.

IN HONOR OF DR. DONALD P. BARICH

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Mr. KUCINICH. Mr. Speaker, I rise today in honor and recognition of Dr. Donald P. Barich, upon the occasion of his retirement after 40 years as a beloved pediatrician within our community. His exceptional expertise and compassionate care of children, from newborn through late teen, has enhanced the well-being of thousands of families throughout our Westside community.

After receiving his Doctor of Medicine from the University of Illinois College of Medicine in 1965, Dr. Barich came to Cleveland Metropolitan Hospital to complete his internship and residency. Beyond his pediatric practice, Dr. Barich was on the frontlines of cutting edge medical research. His respected work has been highlighted by the American Academy of Pediatrics, National and Ohio Chapters; The Cleveland Academy of Medicine; the Case Western Reserve School of Medicine; and the Northern Ohio Pediatric Society. As a Clinical Professor of Pediatrics, Dr. Barich shared his expertise with students at Case Western Reserve University, University Hospitals, Metro Hospital, Southwest General Hospital, Parma Hospital, and Children's Hospital and Medical Center of Akron.

To this day, Dr. Barich continues his vital instruction as Professor of Pediatrics at Case Western University, University Hospitals, Parma Hospital and Southwest General Hospital. The outstanding service and care for every child and every nervous parent has not gone unnoticed. Dr. Barich has been honored on several occasions for his outstanding work as a pediatrician, and was also honored for his service to our country. In 1970, Dr. Barich was awarded the Meritorious Service Award by the United States Air Force at McClellan Air Force Base in California. He has been listed as one of the ''Top Docs in Cleveland'' for eight years running by Cleveland Magazine.

Mr. Speaker and Colleagues, please join me in honor and recognition of Dr. Donald P. Barich. Dr. Barich's contributions to pediatric medicine throughout our community are immeasurable. Moreover, his pediatric practice is a lasting legacy and reflection of the man himself—compassionate, patient and kind—and his gifted mind and expansive heart served to heal more than broken bones. Dr. Barich's care offered peace and comfort to an anxious child or worried parent, and his work at Pediatric Services, Inc. will be remembered for generations to come.

IN HONOR AND REMEMBRANCE OF CORPORAL TIMOTHY A. KNIGHT

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Mr. KUCINICH. Mr. Speaker, I rise today in honor and remembrance of U.S. Marine Corps Corporal Timothy A. Knight, who courageously and selflessly rose to the call to duty and made the ultimate sacrifice on behalf of our country.

Corporal Knight was an exceptional U.S. soldier and was an equally exceptional human being. His life was characterized by his unwavering sense of duty and commitment to our nation, and above all, his life reflected a deep dedication to, and steadfast focus on his family—his beloved wife Gina and beloved daughter, Chloe.

A native of Brooklyn, Corporal Knight graduated from Brooklyn High School. Following graduation, he enlisted in the service, and planned on a career in law enforcement after his military duty was completed. Throughout his journey in the military, Corporal Knight carried with him a strong foundation of faith,family and community. He quickly ascended through the ranks, and attained the title of Corporal. Corporal Knight's strong intellect and solid sense of integrity evenly matched his sense of duty and kindness toward others. Moreover, Corporal Knight's life reflected his generous heart and sincere concern for the welfare of others. He often and easily offered his assistance to anyone in need, without regard to his own sacrifice.

Mr. Speaker and Colleagues, please join me in honor and remembrance of Corporal Timothy A. Knight, whose heroic actions, commitment and bravery will be remembered always. I extend my deepest condolences to the family of Corporal Knight—his beloved wife and high school sweetheart, Gina M. Knight; his beloved baby daughter, Chloe; his beloved parents, W.C. Arrowood and Jeanne Knight; his beloved sisters and brothers, Karen, Michael, Samantha, David, Melanie, Sabrina and Brian; his beloved mother and father-in-law, Jackie Collins and Dean Delligatti; and his many extended family members and friends.

The significant sacrifice, service, and courage that defined the life of Corporal Timothy A. Knight will be forever honored and remembered by the entire Cleveland community, and the entire nation. And within the hearts of his family and friends, especially Gina and Chloe, the bonds of love and memories created in life by Corporal Knight will never be broken, and will live on for all time.

RECOGNIZING THE PEACE CORPS VOLUNTEERS FROM OREGON'S THIRD DISTRICT

HON. EARL BLUMENAUER

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Mr. BLUMENAUER. Mr. Speaker, President Kennedy, speaking 44 years ago at the establishment of the Peace Corps, remarked that, ''The initial reactions to the Peace Corps proposal are convincing proof that we have, in this country, an immense reservoir of such men and women—anxious to sacrifice their energies and time and toil to the cause of world peace and human progress.'' What was true in 1961 is true today; Peace Corps Volunteers are an outstanding group of men and women serving the cause of people everywhere.

During this National Peace Corps Week, I want to honor the service and commitment of the Peace Corps Volunteers from Oregon's 3rd Congressional District and express my pride in my fellow Oregonians who have chosen to devote years of their lives in service to others.

In particular, I want to recognize those Peace Corps Volunteers currently serving:

Adela Ardelean in Romania
McKean Banzer-Lausberg in Morocco
Melissa Barber in Mali
Danae Bayley in Kenya
Elizabeth Decker in Azerbaijan
Amad Dorotaj in Mexico
Jeannine Ferguson in Romania
Crista Gardner in Guatemala
Kortney Garrison in Suriname
Christian Gervasi in Azerbaijan
Marisa Heman in Cameroon
Shannon Lawler in El Salvador
Ken Meisel in Tanzania
Brett Meyer in Mali
Angela Newman in Kenya
Cory Owens in Senegal
Joshua Owens in Senegal
Elizabeth Peterson in Cameroon
Andrew Poundstone in Suriname
Kimberly Schneider in Burkina Faso
Amber Schulz in Romania
Hanna Seyl in Malawi
Cory Seig in Namibia
Adrianne Stach in Tanzania
Rebecca Tweed in Vanuatu
Joel Van Allen in East Timor
Jennifer Vomaske in Kenya
Luke White in Nicaragua
Eric Wiley in Bulgaria
Lucille Wilkinson in Guatemala

Brenda Wolsey in Albania
Corinne Wong in Gambia
Marta Young in Peru

Their work to empower people and communities in developing countries is a crucial contribution to creating a safe and prosperous world, building bridges between America and the world, and establishing a better future for people everywhere.

IN HONOR AND REMEMBRANCE OF JOHN RAITT

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Mr. KUCINICH. Mr. Speaker, I rise today in honor and remembrance of John Raitt, beloved father, husband, and internationally known stage and cinema artist, whose incredible baritone voice, passion for life and handsome presence transformed the darkened stage into a place that sparked with enchantment, energy and possibility.

Growing up in southern California, Mr. Raitt's deep, harmonious melodies captivated audiences in local venues, from church halls to community clubs, His rising star took flight in 1940, marking his professional debut as a chorus singer in ''HMS Pinafore'' with the Los Angeles Civic Light Opera. Although he had little operatic training, his voice was as inspiring and powerful as an operatic master. Even his auditions were riveting, as he rendered musical geniuses such as Richard Rodgers and Oscar Hammerstein speechless and inspired.

From premier roles in award-winning theatrical productions such as ''Oklahoma!,'' ''Carousel,'' and ''Magdalena,'' to significant roles in major films such as ''The Pajama Game,'' Mr. Raitt won the hearts of theater goers and critics alike. His love of music and his dedication to his audience never faded, nor did his personal and professional convictions. Mr. Raitt was a man of unwavering strength, kindness and integrity, and he offered everyone and every audience the same enthusiasm, energy and respect—whether playing in a small church hall or performing on a Broadway stage.

Mr. Speaker and Colleagues, please join me in honor and remembrance of John Raitt, whose gift of song and kind heart is a legacy that will rise forever in the hearts of his family and friends, and within the hearts of every person who heard him sing. I offer my deepest condolences to his wife Rosemary; to his daughter Bonnie; to his sons, Steven and David; and to his many extended family members and friends. The gracious and joyous life of John Raitt will forever light our American musical landscape, and his invaluable gifts, reflected through song, stage and family, will be coveted for all time.

TRIBUTE TO DERBY, CONNECTICUT'S CUB SCOUT PACK 3 AS THEY CELEBRATE THEIR 75TH ANNIVERSARY

HON. ROSA L. DeLAURO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Ms. DELAURO. Mr. Speaker, it gives me great pleasure to rise today to join the many alumni, families, and community members who have gathered today to celebrate the 75th anniversary of Derby, Connecticut's Cub Scout Pack 3. This is a tremendous milestone for this outstanding organization and I am honored to have this opportunity to recognize the many invaluable contributions they have made to our community.

The legacy of Derby's Pack 3 begins with three Senior Patrol Leaders of Boy Scout Troop 3, who took on the challenge of creating a program for younger boys interested in Scouting. Because the Boy Scouts of America did not offer such a venue at the time, Manuel Pearson, Francis Barron, and Edmund Strang initially based their program on the English Cubbing program. Three years later, the Boy Scouts of America announced their intentions to adopt a new cubbing program and Pack 3 was officially registered as one of the country's first Cub groups. In fact, Cub Pack 3 has been recognized by the Boy Scouts of America as the Nation's third oldest continuously running pack.

With participants ranging in age from eight to ten years old, the Cub Scouts program instills an invaluable life lesson in these youngsters—the value in serving their communities—a lesson that they will certainly carry with them through their adult and professional lives. From food drives and fundraisers to fire safety training and community activities, they have a direct and positive impact on the lives of others and their community.

It is not just the variety of programs and services these youngsters participate in throughout our community that makes Pack 3 so special. It is the scouting tradition that exists within the Pack itself. Generations of families have begun their scouting experience in Pack 3, with many alumni continuing to stay active in the Pack as adults by becoming committee members, webelos leaders, den leaders, and cubmasters. Just as an example, the eleven Pack 3 officers have an average thirty-three and a half years of service in cubbing. The dedication they have to this organization is a testament to the impact of their own Cub Scout experience.

The strength and longevity of Pack 3 would not be possible without the incredible leadership they have had throughout the course of their history. Founder Ed Strang was only a junior in high school when he first took on the cubbing program as a Senior Patrol Leader. As soon as he was able, Ed became the cubmaster—a position which he held for the better part of sixty-four years. When he was no longer able, Ed turned the reins over to current cubmaster Dan Cyrul who was himself an Eagle Scout with Troop 3. Though Ed is no longer with us, his commitment, generosity, and compassionate spirit will always be reflected in the good work of Pack 3.

Today, as they celebrate their 75th anniversary, alumni and community members will reflect on what Cub Scout Pack 3 has brought to this community and their own lives. Touching the lives of thousands, Pack 3 has left an indelible mark on the City of Derby and I have no doubt that this strong tradition will continue for generations to come. It is with great pride that I rise today to extend my sincere congratulations to Derby's Cub Scout Pack 3 on their 75th anniversary and to extend my very best wishes for many more years of successful service to the community.

IN HONOR OF THE VIETNAMESE NEW YEAR: TET, 2005—YEAR OF THE ROOSTER

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Mr. KUCINICH. Mr. Speaker, I rise today in recognition of the Vietnamese New Year: Tet, 2005—Year of the Rooster. To celebrate the hope and promise of the New Year, the members and leaders of the Vietnamese Community in Greater Cleveland, Inc., will gather at St. Helena Catholic Church to rejoice with family and friends, enjoying Vietnamese culture and performances.

The Tet celebration will include recognition of community volunteers and leaders, and Vietnamese food, dancing and musical entertainment by the Vietnamese youth of Cleveland. Tet is the time of year to pay homage to ancestors, reconnect with family and friends, and celebrate the sense of good will and possibilities, rising like the first light of dawn.

This year also marks the 30th anniversary of the establishment of the Vietnamese Community in Greater Cleveland, Inc. For nearly three decades, this vital coalition of culture has reflected unwavering commitment, service and community outreach to citizens of Vietnamese heritage. The Vietnamese community in Greater Cleveland is a vibrant layer within the colorful fabric of our culturally diverse city—and the Vietnamese Community of Greater Cleveland, Inc. plays a significant role in preserving and promoting the ancient cultural and historical traditions that spiral back throughout the centuries, connecting the old world to the new, spanning oceans and borders—from Vietnam to America.

Mr. Speaker and Colleagues, please join me in honor and recognition of Le Nguyen, President of the Vietnamese Community in Greater Cleveland, Inc., and all members and leaders, past and present, for their dedication and support of Americans of Vietnamese heritage within our Cleveland community. As they celebrate the Vietnamese New Year, the Year of the Rooster, may they hold memories of their past forever in their hearts, and find happiness and peace with the dawning of each new day.

IN HONOR OF CARL KOCINA

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Mr. KUCINICH. Mr. Speaker, I rise today in honor of Carl Kocina of Parma, Ohio, as we commemorate his February 20th birthday—one hundred years young—and still bowling strikes.

Mr. Kocina was born in Trieste, Austria, and arrived at Ellis Island as a young boy of seven. His family settled in Cleveland, and though far from their homeland, they kept alive the musical and cultural traditions of their beloved Austria. He taught himself to play the accordion, and with his brothers, formed the Kocina Trio. The Trio played for many years at social and family events.

Mr. Kocina was instilled with a strong work ethic—a philosophy that he maintains to this day. At 15, he started work in a local factory, and retired fifty years later as a supervisor of a plant that manufactured aircraft parts. Today, his active lifestyle reflects deep joy and energy, both on and off the bowling lanes. Mr. Kocina lives independently, and hones his culinary talents on a regular basis. He is surrounded by family and friends, especially his daughter, Florence Husbeck, granddaughter, Linda Butler, and great-grandson, Grant Butler.

Mr. Speaker and colleagues, please join me in honor and recognition of Mr. Carl Kocina, as we celebrate his 100th birthday. Mr. Kocina continues to be an inspiration to everyone in his life—especially his family and friends. His energy, agility and joy for living serve to highlight the philosophy that life's possibilities and joys are within reach for every one of us, regardless of our chronological age. We wish him many blessings of continued health and happiness today, tomorrow, and for all days to come.

CONGRESSIONAL TRIBUTE TO STATE REPRESENTATIVE SCOTT SHACKLETON

HON. BART STUPAK

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Mr. STUPAK. Mr. Speaker, I rise today to thank a retiring Michigan state legislator for his service. State Representative Scott Shackleton has just completed his third and final term representing the 107th District of the Michigan House, which includes Chippewa, Mackinac, and Emmet Counties, as well as a part of Cheboygan County.

I appreciate Representative Shackleton's six years of service to the people of Northern Michigan. Like all of us who represent this rural part of the state, he has worked to make sure our region gets its fair share in his role as Chairman of the House Appropriations Transportation Subcommittee.

I also want to mention Representative Shackleton's family. He and his wife Karen have two young sons, Henry and John. Each of us who has served in public office when we have young children at home know the sacrifices that families make in order to represent our communities. I am sure that the Shackleton family has made those sacrifices, and they deserve our thanks as well.

Mr. Speaker, I ask the House of Representatives to join me in recognizing Representative Shackleton for his service to the people of Northern Michigan, and in wishing him well as he leaves public life.

IN MEMORY OF MAGDALENO SANCHEZ DUENAS

HON. MICHAEL M. HONDA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Mr. HONDA. Mr. Speaker, I rise today to pay tribute to a courageous American, a man who was willing to give everything to this country, but who got far too little in return. Magdaleno Sanchez Duenas was born in Maasin, Philippines on May 27, 1914 into a large loving family with seven brothers and sisters. Mr. Duenas worked several jobs throughout the years, moving in 1937 to Davao City. There, in November 1941 on the eve of World War II, Mr. Duenas was asked to join the impending fight for freedom as a soldier in the U.S. Armed Forces. Mr. Duenas proudly joined the 101st Infantry.

To say Mr. Duenas fought bravely is an understatement. In 1943, he joined guerilla forces living in the mountains. He fought without shoes, living on a diet of "camote" (yams) and "lugaw" (rice porridge). On December 24, 1942, he was captured by the Japanese while gathering food for his fellow freedom fighters. He was immediately interrogated, yet he refused to relinquish any information that would reveal the hiding place of the guerilla forces. That night, Mr. Duenas managed to escape and return to his mountain hiding place. On April 4, 1943, Mr. Duenas helped engineer and carry out a rescue operation that freed ten American soldiers from captivity at the Davao Penal Colony. Mr. Duenas kept them fed and hidden and helped them rejoin the guerilla forces.

For his wartime heroism, Mr. Duenas deserved fame. Tragically, however, this was not why he came into the public eye. Mr. Duenas realized a life-long dream and immigrated to the United States, arriving in Richmond, California in 1992. It was upon his arrival in America that Mr. Duenas and 16 other Filipino American World War II veterans were held in virtual captivity by an abusive landlord who beat them, kept them chained, and fed them only dog food, all the while stealing their monthly Social Security checks. In December 1993, a group of Filipino American advocates discovered the heinous abuses and rescued Mr. Duenas and the other Filipino American heroes that were trapped with him.

During his final years, Mr. Duenas lived quietly in the Tenderloin District of San Francisco. Those who knew him remember him with deep affection as an endearing companion with a knit cap, and a folding two-wheel cart to get around.

It is a equally tragic that Mr. Duenas and his other Filipino veterans still have never received full recognition from our government for their patriotism during World War II. In his final years, Mr. Duenas was featured in two documentaries and his story remains at the center of the battle for veteran Filipinos from our greatest generation. Sadly, Mr. Duenas did not live to see the story through to completion. He died this past weekend, on February 27th, at the age of ninety.

Mr. Speaker, since 1948 every Christmas Mr. Duenas received a token from General Schoefner, one of the ten soldiers he saved those many years ago. This simple, poignant gesture of gratitude is a reminder as Americans, we all owe this man and his comrades more than just a debt of gratitude. We owe them the promise of the full equity.

Mr. Speaker, we cannot allow more brave men like Mr. Duenas to die before we act on legislation introduced by my colleagues BOB FILNER and DUKE CUNNINGHAM, H.R. 302, the Filipino Veterans Equity Act of 2005. This is the gift we owe to all Filipino veterans who fought along side U.S. soldiers during World War II.

HONORING ROBERT WARREN PEARCE'S MILITARY SERVICE TO OUR COUNTRY

HON. JOHN L. MICA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Mr. MICA. Mr. Speaker, I rise today to recognize Robert Warren Pearce in honor of his service to our country during World War II.

Mr. Pearce was born in Terra Haute, Indiana, on November 20, 1921, as the younger of two sons of Mr. Owen Pearce, who is the son of immigrants from Wiesbaden, Germany.

At the age of 21, Mr. Pearce resigned from his duties on RDX and bomb development for Dupont and enlisted in the Air Force in 1942. He began cadet training in San Antonio, Texas; and rose to the rank of a First Lieutenant bombardier and gunnery officer on a B–17 in the 452nd Bomber Group of the 8th Air Force, stationed near Attleboro, England.

During World War II, he flew 25 missions as a Deputy Lead that involved the bombing of Wiesbaden, Germany, and food drops over Holland. His squadron also destroyed submarine pens, ammunition factories, and railroad marshalling yards in Berlin. When his bomber crew returned to the United States, Mr. Pearce stayed on in England to teach X Box Navigation and flew additional missions with a new crew.

After an honorable discharge from the U.S. Army Air Corps, Mr. Pearce joined the Reserves where he served until 1957. He married Mary Jane Powers and moved to Ft. Lauderdale, Florida, where he lived for 48 years; and as a successful independent businessman, Robert and Mary Jane Powers raised four sons who shared pride in their father's service to our Nation. Mr. Pearce now resides in Ormond Beach, where he currently courageously battles Parkinson's disease.

Mr. Speaker, because of Mr. Pearce's dedication to our country, I want to take this opportunity to recognize his war service, and ask

all Members of the House to join me in celebrating the life and service of a wonderful husband, father and American.

CONGRESSIONAL TRIBUTE TO FOREST PARK HIGH SCHOOL TROJANS FOOTBALL TEAM

HON. BART STUPAK

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Mr. STUPAK. Mr. Speaker, I rise today to pay tribute to the players, coaches, and managers of the 2004 Forest Park High School Trojans football team in recognition of their outstanding season. After losing 17 seniors from last year's team, the Trojans not only made the playoffs, but made it all the way to the Division 8 State Finals on November 26, 2004, at the Pontiac Silverdome. This group of young men from the Crystal Falls area in Michigan's Upper Peninsula truly deserves our hearty congratulations.

While their 12–2 record is impressive in its own right, the way the Forest Park Trojans won is even more remarkable. After losing their first game of the season, the Trojans made some changes and rose to the occasion, winning their next 12 straight games.

They were a team of young men that brought an unselfish attitude to the game that many college and professional players could learn from. Each one of them knew they had a role to play, and cared more about helping the team win than being the ''star.'' Throughout the season, the team's motto was, ''Whatever it takes.''

After defeating Baraga High School for the District title, Posen High School for the Regional title, and a dramatic 12–8 win over a Beal City team that seemed unbeatable in the Division 8 semifinal, the Forest Park Trojans faced off against Climax-Scotts High School at the Pontiac Silverdome for the State championship.

The Crystal Falls community was behind their team 110 percent. One call to a local radio station letting people know that they could make donations to help the team, cheerleaders and the band make the trip down-state for the championship game yielded over 100 contributions.

When the big day finally came, the Trojans suffered a heartbreaking loss. But they handled it with the same class and character that got them to the finals in the first place. They realized that they achieved their goal just by playing in that championship game, and that they would be back. Many of the players who are returning next year are already hitting the weight room and looking forward to a new season, and to passing on the tradition of teamwork and hard work that made this season so special.

Mr. Speaker, each member of this team deserves to be recognized, and I want to take a moment to share their names with my colleagues.

Team members: Dan Surface, Clay Roberts, Cory Padilla, Joe Mussatto, Kyle Roberts, Andrew Gussert, David Lesandrini, Brandon Stebbins, Ryne Neyrick (All-U.P. First Team running back and All-State Honorable Mention), Seth Chernach, Joe Chernach (Captain, All-U.P. and All-State first team defensive back and return specialist), Bryan LaChappelle, Erik Peterson, Scott Santilli (Captain, All-U.P. First Team defensive end), Tim Wheeler, Kyle La Vacque, Stefan Randjelovic, Nick McCarthy, Ryan Martin (All-State First Team offensive guard), Kevin Takala, Calix Sholander, Gary Willman, Rob Boussum, Eric Lato, Dustin Skibo, Mark Harrison (All-U.P. First Team lineman), Josh Bicigo, Brian Fabbri, Jody Gillespie, Nikos Kosmopoulos, Brad Anderson, Pat Peterson (All-U.P. First Team tight end), and Josh Novak.

Head Coach Bill Santilli; Assistant Coaches Dave Graff, Gerard Valesano, Bill Todish, Jeff Chernach, and Dan LaPoint; Trainer Mark Nylund; and Managers Bryant Wheeler, L.J. Burns, and David Burns.

Mr. Speaker, I ask the House of Representatives to join me in congratulating the Forest Park High School football team, their classmates, parents, and community on their exceptional season and in wishing them well when they take the field again in the fall.

TRIBUTE TO CAPTAIN MARK FRANCIS McCORMACK

HON. MICHAEL M. HONDA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Mr. HONDA. Mr. Speaker, today I rise to pay tribute to Santa Clara County Fire Captain Mark Francis McCormack, whose life was tragically cut short on Sunday, February 13, 2005. Mark was the first firefighter killed in the line of duty in the 58-year history of the Santa Clara County Fire Department. Members from more than 100 fire departments throughout the State of California gathered at his memorial service to show support for one of their own.

Mark began his career as a firefighter in 1989. He was serious about his work, and was constantly working to improve his skills in order to serve his community better. Mark's hard work showed in 2001 when he received the Award of Valor for his contributions to both the Santa Clara County Fire Department and the community. He was a model firefighter, an enthusiastic team member, and a good friend to his colleagues.

When Mark wasn't fighting fires, he worked as a volunteer counselor for the Alisa Ann Ruch Burn Foundation's Champ Camp, a summer camp in the Sierra Nevada for young burn victims. As a child, Mark was badly burned on an electric stove and had to undergo several surgeries to repair the injury. Mark always found the silver lining in any situation, and that's exactly what he did with his burn experience. He used it to help children realize that they are not alone—to help them realize their inner beauty. Mark was a favorite around camp, serving as a role model to many of the children he met there.

Mr. Speaker, I would like to take this time to say ''thank you'' to Mark McCormack for devoting his life to helping others, and for his service in keeping my home district safe. And my deepest condolences to his wife, Heather, who wrote to her husband, ''You are my life, my hero, and without you my heart will forever be broken.'' I wish that hearts could be mended with words, and that I could find those magical words to say to you. Heather, please know that my thoughts and prayers are with you, and that your husband was not only your hero, but Santa Clara County's, too.

IN COMMEMORATION OF COATS, NORTH CAROLINA

HON. BOB ETHERIDGE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Mr. ETHERIDGE. Mr. Speaker, today I rise in commemoration of Coats, North Carolina. On March 5, 2005 Coats will celebrate its l00th Birthday. Coats is located in the Eastern part of my home county, Harnett County in the 2nd Congressional District of North Carolina. Coat's humble beginning is especially personal to me as my great, great Uncle James T. Coats bought the first acres of farmland that would grow to become this warm and hospitable Southern community.

Coat's history is rich with individuals like my uncle, who envisioned a town where future generations could work, live, and raise their families in the bright light of America's promises. I think of Ed Williams and John Talton who were among the first entrepreneurs to establish stores in Coats. I think of John McKay Byrd, a former sheriff of Harnett County, who contributed greatly to the industrial life of the community. And I think of the first mayor, J.K. Stewart who when elected installed the first electric lights in the town.

Coats has never strived to be an urban hub, more comfortable with its small town population of only 1,900. Yet, its residents are proud of their community. As a former Harnett County Commissioner, I have always enjoyed a special connection to the people of Coats, NC. It is a place rooted in appreciation for one's family, faith, and country. The Town of Coats and its residents exemplify the common-sense values of North Carolina that I am so proud to represent in Congress.

Mr. Speaker in closing I would like to send my best wishes and gratitude to the people of Coats, North Carolina in wishing them a Very Happy Birthday. I know that in the future this town will continue to be ''a good place to live and make a living.''

CONGRESSIONAL TRIBUTE TO NEWBERRY HIGH SCHOOL INDIANS FOOTBALL TEAM

HON. BART STUPAK

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Mr. STUPAK. Mr. Speaker, I rise today to pay tribute to the players, coaches, and manager of the 2004 Newberry High School Indians football team in recognition of their outstanding season. The 10–3 Indians went to

the Michigan Division 7 Semi-Finals, winning the school's first district and regional championships along the way.

Newberry is a small, close-knit community in Michigan's Upper Peninsula that loves its high school sports. This year, the Indians gave them a season to remember. In the fifth week of the season, Newberry faced Munising High School on the road. After a hard fought game, the Indians won 21–14, winning in Munising for the first time in 20 years.

In the last game of the regular season, the Indians renewed an old rivalry with Sault Sainte Marie High School. It had been several years since Newberry and the Soo played for the ''Little Brown Jug'' but the Indians rolled to a 20–0 victory, reclaiming the Jug.

During the playoffs, Newberry defeated Inland Lakes 44–0 and Manistique 20–8 to win the school's first district title. In the regional finals against McBain, the team was down going into the 4th quarter. But Newberry stuck it out, scoring with just over 7 minutes to go and hanging on for their first regional title. Though they were defeated in the State semi-finals, it was by Unionville-Sebewaing, the eventual Division 7 State champions.

In short Mr. Speaker, the Newberry Indians had their finest season in memory, and this was in large part due to the outstanding leadership of the squad's seniors. All year long, they kept the team energized and confident. The Indians always took the field believing they were going to win, have fun and work hard for four quarters.

Quarterback David Carmody, was a particularly strong leader among those graduating seniors. This young remarkable young man brought a unique perspective to the pressures ofthe game: he is a leukemia survivor. Diagnosed in 1996, a 9-year-old David had to face being sidelined from school and sports. After 4 years of treatments, David has been in remission since 2000. His coaches described him as an incredibly calm leader who never let anything on the field phase him. In fact, he often calmed them down during tense moments. In addition to helping lead the Newberry Indians to their best season ever, David was named to the All-Conference 1st Team as both quarterback and defensive back.

But while David's story is extraordinary, each and every member of this team deserves to be recognized for their hard work this year, and I would like to take a moment to share their names with my colleagues.

Team members: Derek Taylor, Andrew Schultz, Luke Shilling, David Carmody (All Conference 1st Team quarterback and defensive back), D.J. Bouchard, Dan Schummer (All-Conference 1st Team receiver and 2nd Team defensive back), Mike Houghton, Tony Perry, Stuart Papist, Mark Brooks, Corey Nicholson, Jake Pann (All-Conference 2nd Team running back), Jeremy Maeder, Zac Sarelle, Chuck Masterson, Nick Christiansen (All-Conference 1st Team linebacker), Zach Clickner, Avery Allison, Jonathon Bontrager, Kyle Ery, Caleb Flory, Mat Conway, David Burke, Ryan Bolda, Alex Herbst, Travis Stokes (All-Conference 1st Team lineman), Dustin Zitnik, Adam Holcomb, Kyle Bryers, Brian Morrison, John Pope, Matt Payment (Detroit Free Press All-State Team, Conference Defensive Player of the Year, All-Conference 1st Team lineman and defensive lineman), Justin Neff (All-Conference 2nd Team defensive lineman), Brandon Wheeler, Jay Thompson, Mark Doke, and Nathan Hines.

Head Coach Brandon Bruce; Assistant Coaches Bruce Dake, Jeff Puckett, Cliff Fossitt Jr., Fred Bryant, Larry White, Bob Cameron, and Randy Fretz; and Manager Derek Dake.

Mr. Speaker, I ask the House of Representatives to join me in congratulating the Newberry High School Indians football team, their classmates, parents, and community on their outstanding season and in wishing them well when they take the field again in the fall.

ACKNOWLEDGE AND HONOR THE DOCTORS, NURSES AND STAFF OF ST. MARY MERCY HOSPITAL

HON. THADDEUS G. McCOTTER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Mr. McCOTTER. Mr. Speaker, I rise today to acknowledge and honor the doctors, nurses and staff of St. Mary Mercy Hospital, as they celebrate in receiving the 2005 HealthGrades Distinguished Hospital Award for Clinical Excellence.

In receiving the award, St. Mary Mercy Hospital was ranked in the top 5 percent in the Nation for overall clinical excellence. The hospital also received the Health Grades Distinguished Hospital Award for Patient Safety, ranking them in the top 2 percent in the Nation for patient safety outcomes.

I am proud to report that the awards place St. Mary Mercy Hospital as 1 of 30 hospitals in the Nation to receive both designations within the same year. It is a testament to the dedication, devotion, and determination of the men and women who daily provide a high quality of care to patients.

Mr. Speaker, the heritage of the Felician Sisters is the foundation for St. Mary Mercy Hospital, which for the past 45 years, has been a premier provider of healthcare in our community. Founded by Blessed Mary Angela, whose care for the poor and homeless in Warsaw, Poland gave birth to the Felician congregation, the Felician Sisters were dedicated to a ministry of healing and service, based on Mary Angela's mission of ''responding to the needs of the times.''

In the spirit of Mary Angela and the Felician Sisters I stand today to commend and applaud the great doctors, nurses and staff of St. Mary Mercy Hospital for their national recognition and accomplishments. More importantly I praise these angels of medicine for upholding the oath of Hippocrates by ''maintaining the utmost respect for every human life.''

REPEAL DON'T ASK DON'T TELL

HON. SAM FARR

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Mr. FARR. Mr. Speaker, I come to the floor to call attention to important legislation that has been introduced today, The Military Readiness Enhancement Act. I am an original cosponsor of this legislation which would replace ''Don't Ask Don't Tell,'' with a non-discrimination policy for all military personnel.

A decade ago, ''Don't Ask Don't Tell'' was enacted as a compromise to allow lesbian, gay and bisexual military personnel to serve honorably in the military as long as they didn't disclose their sexual orientation. It was a bad policy then and it's a bad policy now. It has resulted in the discharge of more than 10,000 dedicated and trained military personnel merely on the basis of their sexual orientation.

There are two issues this bill is addressing—military readiness and civil justice.

Military readiness is being compromised by discharging critically needed military linguists to fight the Global War on Terrorism. Shortly after September 11, 2001, we can vividly remember the frantic search for linguists, particularly Arabic and Farsi speakers. But because of ''Don't Ask Don't Tell,'' the Department of Defense has discharged 20 Arabic linguists and 6 Farsi linguists for no other reason than their sexual orientation. No one can dispute that these linguists, who attended the Defense Language Institute located in my congressional district, are mission essential to the Global War on Terrorism. If we didn't think so before, surely we can agree now that language capability and proficiency is just as much of a weapon system as guns and bullets.

Repealing ''Don't Ask Don't Tell'' is just as much a civil justice issue. It has created a separate class of people who are discriminated against based solely on their sexual orientation. Sixty years ago our military was at the forefront of the civil rights struggle by accepting African Americans as soldiers, sailors and airmen. The Military Readiness Enhancement Act will extend a non-discrimination policy for sexual orientation much as it did in adopting a color-blind non-discrimination policy. Ending racism in the military, which produced military leaders like Colin Powell, the former Joint Chiefs of Staff and Secretary of State, was an advancement of civil rights for all Americans.

The Constitution guarantees equal protection under the law for all citizens. Just because you decide to honorably serve your country by joining the military, doesn't mean you should have to forfeit the right to equal protection under the law.

THE 1995 BEIJING PLATFORM OF ACTION CONTAINS NO RIGHT TO ABORTION

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Mr. SMITH of New Jersey. Mr. Speaker, it is absolutely clear that the ''Programme of Action'' produced by both the 1994 Cairo Population Conference and the 1995 Beijing Women's Conference did not create, adopt, endorse, or promote a right to abortion.

I know. I was there in an official capacity at both conferences. The outcomes of both were

a remarkable victory for the pro-life movement—those of us who recognize that all human life is sacred and that both legal and illegal abortion is violence against children and the exploitation of women. It was a victory for vulnerable unborn children who would be killed by dismemberment and chemical poisoning and for women who deserve better than the cruelty of abortion.

The outcome was a stunning defeat for the Clinton Administration, which sought to impose an international right to abortion on the entire world.

So why is the Bush Administration seeking to reaffirm that the Beijing consensus did not include a right to abortion? Because clarity, transparency and truthfulness is needed at this time to dispel a pernicious myth—the big lie—promoted by some that these U.N. documents now endorse abortion. Nothing, Mr. Speaker, could be further from the truth.

Over the past 10 years, pro-abortionists have sought to convey the impression that both Cairo and Beijing—by supporting reproductive health, for example—includes the slaughter of unborn children by abortion.

Instead of focusing on women's economic and political empowerment, an end to all forms and manifestations of discrimination, and an end to violence against women, some have sought to distort the Cairo and Beijing consensus to include the killing of girls and boys by abortion.

Yesterday I chaired a hearing on the horrific behavior of U.N. Peacekeepers in the Congo who have raped and sexually exploited girls and young women. As the prime sponsor of the ''Trafficking Victims Protection Act of 2000'' I take a backseat to no one in promoting women's human rights. Recent scandals, like the Congo or the oil for food scandal, begs the question of honesty and transparency at the U.N.

Despite having no mandate to promote abortion, the U.N. Compliance Committee for the Convention on All Forms of Discrimination Against Women (CEDAW) has recently scolded Mexico, Colombia, Chile, Peru, Zimbabwe, Myanmar, Luxembourg, Ireland, Italy, Croatia, Uruguay, Portugal, Nepal, Northern Ireland, Lichtenstein, Paraguay, and Samoa for their laws and policies on abortion.

In addition, at the end of 2004, the U.N. Human Rights Committee issued a report that absolutely overstepped its bounds and told Poland to repeal their pro-life laws. The report stated, ''The State party should liberalize its legislation and practice on abortion.'' For a U.N. committee that purported to respect fundamental human rights to condemn Poland—and others—for protecting their unborn babies is scandalous. Unborn children deserve respect in law and in practice—these littlest of humans deserve to have their basic human rights protected.

A Center for Reproductive Rights internal document talks about reinterpreting terms and phrases in international declarations, like the Cairo and Beijing documents, to promote abortion and limit parental rights throughout the world. I posted in the December 8, 2003 CONGRESSIONAL RECORD the Center for Reproductive Rights internal documents where one of their trustees said, ''We have to fight harder, be a little dirtier.'' These papers reveal a Trojan Horse of deceit. In their own words, these documents demonstrate how abortion promotion groups are pushing abortion here and abroad, not by direct argument, but by twisting words and definitions. In discussing legal strategies to legalize abortion internationally they go as far as to say, ''. . . there is a stealth quality to the work: we are achieving incremental recognition of values without a huge amount of scrutiny from the opposition. These lower profile victories will gradually put us in a strong position to assert a broad consensus around our assertions.'' The abortion lobby admits they are using deceptive tactics to push abortion on countries that have laws protecting unborn boys and girls.

All the United States wants to do at this conference is to be truthful, nonambiguous and accurate about what the Beijing Programme of Action actually says about abortion and get on with the real work of helping women throughout the world.

CONGRESSIONAL TRIBUTE TO CHARLEVOIX HIGH SCHOOL RAYDERS GIRLS BASKETBALL TEAM

HON. BART STUPAK

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Mr. STUPAK. Mr. Speaker, I rise today to pay tribute to the players, coaches, and manager of the 2004 Charlevoix High School Rayders Girls Basketball team in recognition of their outstanding season. After an undefeated regular season, the Rayders continued their success in the playoffs, making it to the Class C state finals, and winning district and regional titles along the way.

While their 20–0 regular season, and seven post season wins, are impressive in their own right, the spirit of teamwork and unselfish play that the Rayders brought to the court this year was a shining example of what athletics should be about. All year, these young women, including the team's best players, were willing to play their role and do whatever it took to win.

One of the best examples of this was the team's performance in the state semi-finals and finals. After a year in which every game was a double-digit victory, the Charlevoix Rayders traveled to the Breslin Center in East Lansing, Michigan for the final two rounds of the playoffs where they would face their first stiff competition.

Charlevoix led Flint Hamady for almost all of the semi-final game on December 2, going into the 4th quarter up by ten points. Their opponent was not about to lose without a fight though, and with just under four minutes to go, Flint took a three-point lead. After two free throws by guard Laura Nitchman, All-State center Grace Farrell made a lay up to put the Rayders ahead for the win. The final score was 70–67 sending Charlevoix on to the state finals.

Though they lost to Detroit St. Martin dePorres two days later in the finals, the Rayders knew they had an incredible season. They appreciated the experience of playing in the Breslin Center and competing for the state championship. Just like they had all season, they showed character, class, and heart.

The commitment to success displayed by this team is no surprise to anyone familiar with the city of Charlevoix, which is a warm, close-knit community on Lake Michigan. As always, the ''Rayder Nation'' was right behind these young women who gave them a season to remember.

Mr. Speaker, each member of this team deserves to be recognized and I want to take a moment to share their names with my colleagues.

Team Members: Madison McKenzie, Madison Ramsey, Jaime Pettis, Laura Nitchman, Liz Jadwin, Stevie Murray, Shannon Dibble, Kari Way, Sara Cross, Genevieve Kochanny, Grace Farrell, Betsy Dennis, Caitlyn Cole, Sally Haselschwardt, and Bethany Pearson.

Head Coach Keith Haske; Assistant Coaches Bret Erskine, Jim Gels, and Liz Grunch; Trainer Joelle Beaudoin; and Manager Chelsey Haske.

Mr. Speaker, I ask the House of Representatives to join me in congratulating the Charlevoix Rayders girls basketball team, their classmates, parents, and community on their success in the 2004 season and in wishing them well when they hit the court again in the fall.

HONORING THE SERVICE OF DOLLY SEELMEYER

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Mr. DINGELL. Mr. Speaker, I rise today to pay tribute to Dolly Seelmeyer on the occasion of her recent retirement from the United States House of Representatives after 34 years of distinguished Service.

Shortly after she began to work for this august institution, Dolly became the first female photographer in the Office of Photography. To understand the length and breadth of the times she witnessed, one only has to know that when she began her tenure, Richard Nixon was President of the United States and Carl Albert was Speaker of the House. My friend, colleague and fellow Michigander Gerald Ford was Minority Leader of this body. She not only observed, but was able to record for posterity many significant events in the history of this body.

In addition to her expertise as a photographer, Dolly was of tremendous assistance to our offices as she helped us to obtain and preserve visual records of bygone times. Her professionalism and courtesy were always present as she helped us to document the history of the Congress. In addition to her official photos, her office was decorated with wonderful photographs of plants and flowers that she took in her own time.

We thank Dolly for her ongoing assistance in helping us to keep a record of the last quarter of the 20th century and the beginning of the 21st.

Mr. Speaker, I would like to ask that my colleagues join me in thanking Dolly Seelmeyer

for her 34 years of commitment and devotion to the House of Representatives and also to join me in wishing her the very best that life has to offer in the future.

COMMENDING AMERICORPS AND THE WEST SENECA YOUTH BUREAU FOR OUTSTANDING ACHIEVEMENT

HON. BRIAN HIGGINS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Mr. HIGGINS. Mr. Speaker, I rise today to commend the Americorps program in the town of West Seneca, New York, for its outstanding contributions to our Western New York and to recognize the West Seneca Youth Bureau for its exemplary service to the residents of Erie County and Western New York.

Through its network of more than 2,100 service programs, AmeriCorps has assisted millions of Americans through tutoring, running after school programs, building affordable housing, cleaning parks, and assisting with disaster relief.

A shining example of the significance of AmeriCorps' service to our Nation's communities is the West Seneca Youth Bureau of the town of West Seneca, in Erie County, New York. The West Seneca Youth Bureau hosts seven different AmeriCorps programs, and through these programs, volunteers have provided a broad range of needed services to Western New Yorkers.

West Seneca's Service Action Corps is one of the major donors of food in Western New York, delivering 15,000 pounds of food to local pantries every day. Through Standard Bearer's of America's Promise, AmeriCorps tutors provide young students in Buffalo and Erie County with the tools needed to help them become independent readers. Their Erie County Youth Conservation Corps program teaches marketable skills to at-risk youth so they can use these skills in the professional world. Through YouthBuild, at-risk youth learn basic construction and carpentry skills and gain college credits while building low cost housing for Western New Yorkers in need.

Since its inception, West Seneca AmeriCorps volunteers have shoveled more than one-half million pounds of snow for local residents and businesses, provided area food banks with over 6 million pounds of food, tutored more than 18,000 students, cleaned 150 nature trails, countless parks and playgrounds and cleared hundreds of vacant lots.

AmeriCorps' commitment to education, public safety, the environment and health has made it an incredibly successful organization that I am proud to recognize today. Thanks to the dedicated volunteers of AmeriCorps and the West Seneca Youth Bureau, thousands of my constituents have received much needed education and support. I congratulate the organization for 10 years of service, and look forward to working with them for years to come, and I thank you, Mr. Speaker, for the opportunity to recognize their achievements here today.

HONORING BG WILLIAM TERPELUK, DEPUTY COMMANDER, 77TH REGIONAL READINESS COMMAND, FORT TOTTEN, NEW YORK

HON. JERROLD NADLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Mr. NADLER. Mr. Speaker, I rise today to honor BG William Terpeluk. BG William Terpeluk will complete his term as Deputy Commander for the 77th Regional Readiness Command this month. He served from 31 March 2001–30 March 2005, which included valuable service during the events of September 11, 2001, and throughout the War on Terror.

The 77th Regional Readiness Command is the Army Reserve headquarters for over 11,000 Army Reserve soldiers. Approximately 6,500 Army Reserve soldiers have been mobilized in support of Operation Iraqi Freedom and Operation Enduring Freedom. Their service to our Nation is to be commended.

Throughout his career Brigadier General Terpeluk has served with honor and distinction. His military awards include the Meritorious Service Medal with 3 Oak Leaf Clusters, the Army Commendation Medal with 2 Oak Leaf Clusters, the Army Achievement Medal with 1 Oak Leaf Cluster, and the Army Reserve Components Achievement Medal with Silver Oak Leaf Cluster. He has also received the National Defense Service Medal, the Armed Forces Reserve Medal with Silver Hourglass, the Army Service Ribbon and the Overseas Service Ribbons.

Brigadier General Terpeluk is an Infantry Officer who received his commission as a Second Lieutenant through the Reserve Officer Training Corps Program in 1974 from the Virginia Military Institute. After completing the Infantry Course at Fort Benning, Georgia, he served on Active Duty as the Executive Officer, Company E, 3d Battalion, 3d Basic Combat Training Brigade, Fort Dix, NJ.

Throughout his career Brigadier General Terpeluk has served at 79th United States Army Reserve Command, Willow Grove, PA, and in Camp Casey and Camp Howze, Korea.

Today, we honor his service to our city and to our Nation and wish him well in all his future endeavors.

CARNEY-NADEAU HIGH SCHOOL GIRLS BASKETBALL TEAM

HON. BART STUPAK

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Mr. STUPAK. Mr. Speaker, I rise today to pay tribute to the players, coaches and managers of the 2004 Carney-Nadeau High School Wolves girls basketball team in recognition of their outstanding season. The 24–2 Wolves went to the Michigan Class D semi-finals this year, winning Conference, District and Regional titles along the way.

Carney-Nadeau may be one of the smallest schools in their division, and in my district, but they have been a force to be reckoned with in the Upper Peninsula and statewide. Their trip to the state semi-finals on December 2nd at the Breslin Center in East Lansing continued their streak of post season success that started with a State Championship in 2001. In 2002, they went to the state semi-finals, and to the regional finals in 2003.

This tradition of excellence motivated the team all season long. But it is a tradition that has deep roots in this small but close-knit Upper Peninsula community. The basketball program is supported by fundraisers run by the players, and the community turns out to demonstrate that the team is important to them, and that they share the young women's pride in their on-court and off-court successes. It also gives them a real sense of ownership of the team and their community.

This support is not surprising when you know that Carney-Nadeau Public Schools is a district with grades K–12 in one building, giving it a family atmosphere where the older students, and especially the athletes, provide strong role-models for the younger ones. This sense of family is perhaps best represented by the team meals that the players' families take turns preparing before each game.

It is hard to talk about the Carney-Nadeau Wolves success this year without mentioning All-State senior Carly Benson. The 6-foot-2 center averaged 22.4 points, 11.1 rebounds, 5.1 blocks, 5.1 steals and 4.8 assists and shot 62 percent this year on her way to being named the Class D Player of the Year. But on this team, all the players are leaders, and the team captain role rotated each game.

Mr. Speaker, each of these players deserves to be recognized, along with the coaches, managers, and school officials that were instrumental to their success, and I want to take a moment to share their names with my colleagues.

Team members: Katee Retaskie, Amanda Poupore, Lacey Retaskie, Meghan Schetter, Carly Benson, Jenny Grabowski, Rachel Kuntze, Roseann Schetter, Laurie Tuinstra, Ashley Folcik, Tarra Moran, and Meghan Marsicek.

Head Coach Paul Polfus, who is 482–120 in 25 years of coaching at Carney-Nadeau; Assistant Coaches Randy Severinsen, and Jon Ray; Trainer Marty Laurila; Managers Matt Polfus, Cory Thiry, Pete Adams, and Jared Benson; Athletic Director Ron Solberg; and Superintendent/Principal Ken Linder.

While their loss to Portland St. Patrick High School was disappointing, I know the Carney-Nadeau Wolves are rightly proud of their outstanding season, and all of the hard work, love, determination, perseverance, optimism, and skill they put in to it.

Mr. Speaker, I ask the House of Representatives to join me in congratulating the Carney-Nadeau girls basketball team, their classmates, parents, and community on their success in the 2004 season and in wishing them well when they hit the court again in the fall.

ARTICLE ON ATROCITIES IN DARFUR, SUDAN

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Mr. RANGEL. Mr. Speaker, I would like to bring to your attention an excellent op-ed article written in today's New York Times by Nicolas D. Kristof titled ''The American Witness.'' I ask that this article be inserted into the record. The op-ed article highlights the atrocities that are now occurring in Darfur, Sudan and the continuing level of indifference that the West has towards the people of Africa. In light of all of the rhetoric we hear from the United States regarding its strong commitment to liberate people from tyrant dictators, spread democracy around the world, and fight terrorism, I am left to wonder if these same principles do not apply to the people of Africa.

Without a doubt, genocide is occurring in Darfur, Sudan, and its government bears responsibility for the mass killings. Last summer, Congress declared the atrocities occurring in Darfur to be genocide, and the Bush Administration reached the same conclusion in September 2004. Nonetheless, the Bush Administration has done little, beyond acknowledging the crime, to engage the international community in stopping the slaughters of tens of thousands of innocent people. While there are no reliable estimates on the number of people killed as a result of the humanitarian crisis, observers estimate that 300,000 people have been killed since the beginning of the recent conflict in 2003. Meanwhile, an estimated 1.6 million people have been displaced from their homes and more than 213,000 people have been forced to seek refuge in neighboring Chad.

Last month, the United Nations released the Report of the International Commission on Inquiry on Darfur which stated that, ''[g]overnment forces and militias conducted indiscriminate attacks, including killing of civilians, torture, enforced disappearances, destruction of villages, rape and other forms of sexual violence, pillaging and forced displacement throughout Darfur'' and that such acts ''were conducted on a widespread and systematic basis, and therefore may amount to crimes against humanity.''

Now that the United Nations have substantiated what many of us have known for awhile, it is time that the West to take deliberative action to force the perpetrators of the genocide in Darfur to end the slaughter of innocent civilians. At the behest of the United States, the United Nations Security Council must pass a resolution condemning the crimes against humanity that are occurring in Darfur and impose sanctions against the Government of Sudan if they do not stop the killings. The Security Council should also act to freeze the assets of and deny entry visas to perpetrators of genocide, and extend the arms embargo to the Government of Sudan.

In addition to these actions, the Bush Administration should work with its NATO allies to provide the African Union forces with concrete assistance and peace keeping troops on the ground in Darfur. I encourage the Bush Administration to continue to provide critical logistical and equipment support to the African Union forces. Finally, I also encourage that Administration to reappoint a Special Envoy to Sudan as quickly as possible to ensure that the United States has a visible role in resolving this horrific crisis.

The plight of the people of Darfur should garner great sympathy from the Bush Administration. Now that we know Iraq had no Weapons of Mass Destruction and no connection to the 9–11 attacks, the President claims a mandate to engage in war to liberate oppressed people from tyrannical governments. Should not his so-called God-given mandate compel him to take the lead in getting our friends on the United Nation's Security Council to impose sanctions on the government of Sudan and, if necessary, institute other deliberative measures to stop the killing? After all, if the Bush Administration can send young men and women from poor communities and National Guard and reservists into Iraq to liberate its people from the tyrant forces of Saddam Hussein, then surely we can take steps to get the international community to stop the killing in Sudan and bring the perpetrators to justice.

If we can learn any lessons from history, we should commit ourselves to ensuring that we do not fail the people of Sudan in the manner in which we failed the people of Rwanda where an estimated one million people who were slaughtered in the early 1990's while the world community sat on the sidelines. Only now are Americans learning through the movie Hotel Rwanda how we as a Nation failed a people. The crisis that is occurring in Darfur presents the Bush Administration with an opportunity to resuscitate its reputation in the international community.

[From the New York Times, March 2, 2005.]

THE AMERICAN WITNESS

(By Nicholas D. Kristof)

American soldiers are trained to shoot at the enemy. They're prepared to be shot at. But what young men like Brian Steidle are not equipped for is witnessing a genocide but being unable to protect the civilians pleading for help.

If President Bush wants to figure out whether the U.S. should stand more firmly against the genocide in Darfur, I suggest that he invite Mr. Steidle to the White House to give a briefing. Mr. Steidle, a 28-year-old former Marine captain, was one of just three American military advisers for the African Union monitoring team in Darfur—and he is bursting with frustration.

''Every single day you go out to see another burned village, and more dead bodies,'' he said. ''And the children—you see 6-month-old babies that have been shot, and 3-year-old kids with their faces smashed in with rifle butts. And you just have to stand there and write your reports.''

While journalists and aid workers are sharply limited in their movements in Darfur, Mr. Steidle and the monitors traveled around by truck and helicopter to investigate massacres by the Sudanese government and the janjaweed militia it sponsors. They have sometimes been shot at, and once his group was held hostage, but they have persisted and become witnesses to systematic crimes against humanity.

So is it really genocide?

''I have no doubt about that,'' Mr. Steidle said. ''It's a systematic cleansing of peoples by the Arab chiefs there. And when you talk to them, that's what they tell you. They're very blunt about it. One day we met a janjaweed leader and he said, 'Unless you get back four camels that were stolen in 2003, then we're going to go to these four villages and burn the villages, rape the women, kill everyone.' And they did.''

The African Union doesn't have the troops, firepower or mandate to actually stop the slaughter, just to monitor it. Mr. Steidle said his single most frustrating moment came in December when the Sudanese government and the janjaweed attacked the village of Labado, which had 25,000 inhabitants. Mr. Steidle and his unit flew to the area in helicopters, but a Sudanese general refused to let them enter the village—and also refused to stop the attack.

''It was extremely frustrating—seeing the village burn, hearing gunshots, not being able to do anything,'' Mr. Steidle said. ''The entire village is now gone. It's a big black spot on the earth.''

When Sudan's government is preparing to send bombers or helicopter gunships to attack an African village, it shuts down the cellphone system so no one can send out warnings. Thus the international monitors know when a massacre is about to unfold. But there's usually nothing they can do.

The West, led by the Bush administration, is providing food and medical care that is keeping hundreds of thousands of people alive. But we're managing the genocide, not halting it.

''The world is failing Darfur,'' said Jan Egeland, the U.N. under secretary general for humanitarian affairs. ''We're only playing the humanitarian card, and we're just witnessing the massacres.''

President Bush is pushing for sanctions, but European countries like France are disgracefully cool to the idea—and China is downright hostile, playing the same supportive role for the Darfur genocide that it did for the Khmer Rouge genocide.

Mr. Steidle has just quit his job with the African Union, but he plans to continue working in Darfur to do his part to stand up to the killers. Most of us don't have to go to that extreme of risking our lives in Darfur—we just need to get off the fence and push our government off, too.

At one level, I blame President Bush—and, even more, the leaders of European, Arab and African nations—for their passivity. But if our leaders are acquiescing in genocide, that's because we citizens are passive, too. If American voters cared about Darfur's genocide as much as about, say, the Michael Jackson trial, then our political system would respond. One useful step would be the passage of the Darfur Accountability Act, to be introduced today by Senators Jon Corzine and Sam Brownback. The legislation calls for such desperately needed actions as expanding the African Union force and establishing a military no-fly zone to stop Sudan from bombing civilians.

As Martin Luther King Jr. put it: ''Man's inhumanity to man is not only perpetrated by the vitriolic actions of those who are bad. It is also perpetrated by the vitiating inaction of those who are good.''

HAITI

HON. STEPHANIE TUBBS JONES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Mrs. JONES of Ohio. Mr. Speaker, I rise today to express my support for increased

awareness and aid to the impoverished citizens of Haiti.

Haiti gained it's independence in 1804 from France, becoming the first independent Black nation. Today, Haiti has over 8.3 million people, with 80% living in abject poverty. Haiti is one of the most impoverished nations in the Western Hemisphere. Less than 45 percent of all Haitians have access to potable water.

The life expectancy rate in Haiti is only 53 years. The unemployment rate is estimated to be around 60 percent; and the literacy rate is approximately 45 percent. Eighty out of 1,000 Haitian children never see their first birthday. Half the population of Haiti earns $60 or less per year. The total expenditure on health per person is $54 (compared to $4,499 in the USA and $483 in Mexico).

Health conditions in Haiti are very poor. Such examples include:

Haiti is one of the most impoverished nations in the Western Hemisphere and the fourth poorest country in the world.

Ninety percent of all HIV and AIDS infections in the Caribbean are in Haiti: over 300,000 infected people have been identified and deaths from HIV/AIDS have left 163,000 children orphaned.

Haiti's infant mortality rate is staggering: 74 deaths per 1,000 live births and the maternal mortality rate is approximately 1400 deaths for every 100,000.

Only 1 in every 10,000 Haitians has access to a physician, and less than 40 percent of Haitians have access to potable water.

Cases of TB in Haiti are more than ten times as high as those in other Latin American countries.

Tuberculosis remains a major cause of adult mortality; rates are thought to be the highest in the hemisphere. Cases of TB in Haiti are more than ten times as high as those in other Latin American countries.

The United States spends billions of dollars every year supporting various military and foreign operations across the globe and yet, basic human needs such as food, clothing, shelter, and education often have a lower priority in our expenditures. These basic human needs are a right of every citizen on our planet. We should want for our sister and brother, what we would want for ourselves, and put this belief into action.

Mr. Speaker, I rise to reiterate my support for increased awareness and aid to the impoverished citizens of Haiti. I stand with Representative BARBARA LEE and the Congressional Black Caucus to draw attention to the plight of the Haitian people.

ON THE COUP D'ETAT IN HAITI

HON. MAXINE WATERS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Ms. WATERS. Mr. Speaker, 1 year ago this week, our government was a party to a coup d'etat in Haiti, the Western Hemisphere's poorest country. President Jean-Bertrand Aristide, the democratically-elected President of Haiti, was forced to leave Haiti in a regime change supported by the United States. President Aristide left the country on February 29, 2004, on board a U.S. airplane when U.S. Marines and Embassy officials came to his home in the wee hours of the morning and told him to leave immediately or he and thousands of other Haitians would be killed.

One year later, the tragic results of regime change in Haiti are clear. Haiti is in total chaos. The interim government, which was put in power by the United States and has received unprecedented support from our government, is a complete failure. Violence is widespread, and security is non-existent. Schools are shut down; hospitals are not operating; and roads and infrastructure are in disrepair. Dead bodies are found lying in the streets.

Heavily-armed gangs roam Haiti freely. Many of these gangs consist of former soldiers from the brutal Haitian army, which was disbanded 10 years ago. Residents of poor neighborhoods and members of Lavalas, President Aristide's political party, are murdered without any legal consequences. Members of Haiti's wealthy elite, including American citizen Andy Apaid, are widely suspected of financing the former soldiers and paying gangs to kill Lavalas supporters. In some neighborhoods, Lavalas supporters have taken up arms and begun to fight back against this oppression. So the violence is escalating in Haiti, and no one is safe.

The interim government has been unable to enforce the rule of law, disarm the gangs, or restore the government's authority in the cities controlled by former soldiers. When Interim Prime Minister Gerard Latortue set a deadline of September 15 of last year for all groups holding illegal weapons to disarm, the deadline came and went, but nothing happened.

After the interim government failed to disarm the former soldiers, it resorted to bribing them. According to press reports in January, the interim government agreed to provide payments over a 3-month-period to all of the estimated 6,000 former members of the Haitian army. The payments will average about $4,800 per person—in a country where most people live on less than a dollar a day. The cost of these payments was estimated to be $29 million. The interim government never explained where the funds for these payments would be obtained, but Interim Prime Minister Latortue has already distributed checks to dozens of armed individuals who claim to be former soldiers and who still refuse to turn in their weapons. Is this the conduct of a government that wants to disarm the thugs, or a government that supports them?

Human rights violations are commonplace throughout Haiti. Amnesty International has expressed serious concerns about arbitrary arrests, ill-treatment in detention centers, and summary executions attributed to members of the Haitian National Police. Several members of President Aristide's government and prominent supporters of Lavalas have been detained illegally, including former Prime Minister Yvon Neptune, former Interior Minister Jocelerme Privert, and Haitian singer Anne Auguste. As of February 18, there were over 700 political prisoners in Haiti's jails. Most of these prisoners have been held illegally for months without formal charges.

The incompetence of the interim government has manifested itself in other ways as well. Haiti's government was the only government in the path of Hurricane Jeanne that did not warn or evacuate its citizens when the storm came racing through the Caribbean last September. Jeanne pummeled the United States, Puerto Rico, the Dominican Republic and Barbados as a full-blown hurricane, and killed 34 people in all of those countries combined. She was only a tropical storm when she hit Haiti, but she killed over 3,000 Haitians and left thousands more hungry and homeless, because the interim government was unprepared to protect the Haitian people.

The Provisional Electoral Council, which is responsible for organizing elections, has been discredited by corruption. Roselor Julien, the former president of the Council, resigned last November, warning that other panel members were trying to rig the ballot and the council was not capable of ensuring the elections would be free and fair. The council also does not include any representatives of Lavalas, which continues to enjoy widespread support among the Haitian people despite the imprisonment of its leaders. It is abundantly clear that the council is incapable of organizing free and fair elections. If the current council does manage to organize elections, only the winners will accept the result.

The people of Haiti have suffered tremendously over the past year. They deserve better. They deserve to live in peace and security. They deserve to be warned when hurricanes are headed for their homes. They deserve to know that they can walk to work or buy groceries without having gangs kill them for the food they carry. And they deserve free, fair and democratic elections in which all political parties can participate.

When President Aristide was forced to leave Haiti a year ago, he was told that if he refused to leave, thousands of Haitians would die. Yet, in the 12 months that followed his departure, thousands of Haitians have died, and as long as the interim government continues to fail, there will be no end to the suffering and violence facing the Haitian people.

It is time for the United States Government to accept the fact that regime change has failed in Haiti. The United States must ensure that Haiti disarms the thugs, immediately frees political prisoners, and organizes free and fair elections in order to restore security and democracy to the Haitian people. The United States must also provide the necessary assistance to enable Haiti to reopen schools and hospitals and rebuild Haiti's infrastructure. It is time for the United States to clean up its mess.

SOCIAL SECURITY IS IMPORTANT FOR WOMEN

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 02, 2005

Mr. LANTOS. Mr. Speaker, today's debate is an extremely important conversation on the future of Social Security. The simple facts of the matter are that Social Security is not in a state of crisis, it will not go bankrupt and it will always be there for those who contribute to it.

Unfortunately, the plans promoted by this Administration and my Republican colleagues do nothing to address the core issues related to the Trust Fund's solvency. Instead, the issue has been draped in rhetoric in pursuit of an ideological agenda that will not save Social Security but in fact will put it at greater risk. Americans across the country, from Kansas to California and from New Hampshire to New Mexico, whether black or white, man or woman, will have their benefits cut and the financial safety net removed from their retirement. While Republican proposals will hurt everyone, women are particularly at risk. As Republicans regale us with misleading statements and flowery predictions, the cold hard facts of reality reveals a somber picture.

More than 24 million women receive Social Security benefits. They make up 58 percent of seniors who receive Social Security and without it, 53 percent of all senior women would be poor. In 2000, Social Security saved seven million women from poverty. More than seven million women receive disability or survivor benefits. These numbers deserve our undivided attention. The current proposal would cut these benefits by more than 40 percent over the coming decades. If the President's plan were put in to effect, trillions of dollars would be taken out of Social Security, endangering the benefits of current retirees and people with disabilities. These are Americans who have contributed to the Trust Fund their entire working lives and now their guaranteed benefits are endangered. For years we have looked out for our fellow Americans, to lift them up and prove to them that no man, woman or child, regardless of race, religion, or socioeconomic status, will be left behind. Never in my 24 years in Congress have I seen such disregard for our countrymen and women. In a time when we are asking so many to sacrifice so much, this Administration appears ready to dismantle an incredibly successful and equitable program. At the same time, the President's tax policy will cost 3 to 5 times as much as the shortfall predicted by the Social Security Administration (SSA). The Medicare Program is already running a shortfall that is almost 8 times as much as Social Security.

This effort will do nothing to address the real problems facing the Social Security Trust Fund. Social Security plays a unique role in the lives of women. We know women live longer than men and make less in the workplace. Rather than ensure that the Social Security Trust Fund can provide for these women and their families, the Administration wants to cut benefits and create a risky privatization plan that does not guarantee a livable rate of return.

Social Security is truly one of our greatest success stories, virtually eliminating poverty for the aged. While we all agree that important concerns about Social Security should be effectively addressed, I do not believe turning this matter into a crisis should force us to accept what would otherwise be unacceptable. I am concerned that the scenarios suggested by the Administration do not serve us well as we conduct this domestic policy debate. Manufacturing a crisis with an ideological agenda is unacceptable.

Social Security is the core of old-age support and was intended as an income supplement and a crucial safety net for seniors, not a money making scheme. We must preserve Social Security through sound fiscal discipline and legitimate policy adjustments to meet the demands of future generations. Instead of weakening Social Security I believe that it should be strengthened and made more secure ensuring its success for generations to come. We cannot turn Social Security into Social Insecurity.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, March 3, 2005 may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

MARCH 7

2 p.m.
Homeland Security and Governmental Affairs
To hold hearings to examine the nomination of Michael Jackson, of Virginia, to be Deputy Secretary of Homeland Security.
SD–342

MARCH 8

9:30 a.m.
Armed Services
To hold hearings to examine military strategy and operational requirements in review of the Defense Authorization Request for fiscal year 2006.
SH–216

Judiciary
To hold hearings to examine the nomination of Thomas B. Griffith, of Utah, to be United States Circuit Judge for the District of Columbia Circuit.
SD–226

Rules and Administration
To hold hearings to examine S. 271, to amend the Federal Election Campaign Act of 1971 to clarify when organizations described in section 527 of the Internal Revenue Code of 1986 must register as political committees.
SR–301

10 a.m.
Agriculture, Nutrition, and Forestry
To hold hearings to examine the reauthorization of the Commodity Futures Trading Commission.
SD–106

Energy and Natural Resources
Public Lands and Forests Subcommittee
To hold hearings to examine S. 179, to provide for the exchange of land within the Sierra National Forest, California, S. 213, to direct the Secretary of the Interior to convey certain Federal land to Rio Arriba County, New Mexico, S. 267, to reauthorize the Secure Rural Schools and Community Self-Determination Act of 2000, and S. 305, to authorize the Secretary of the Interior to recruit volunteers to assist with or facilitate the activities of various agencies and offices of the Department of the Interior.
SD–366

2 p.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans Affairs to examine the legislative presentation of the Disabled American Veterans.
345 CHOB

2:30 p.m.
Energy and Natural Resources
To hold hearings to examine ways to encourage the diversification of power generation resources.
SD–366

Foreign Relations
European Affairs Subcommittee
To hold hearings to examine the future of democracy in the Black Sea area.
SD–419

Judiciary
Terrorism, Technology and Homeland Security Subcommittee
To hold hearings to examine terrorism and the electromagnetic pulse (EMP) threat to homeland security.
SD–226

3 p.m.
Commission on Security and Cooperation in Europe
To hold hearings to examine the challenges facing the Organization for Security and Cooperation in Europe in 2005, focusing on security and human rights.
SD–192

MARCH 9

9:30 a.m.
Indian Affairs
Business meeting to consider S. 147, to express the policy of the United States regarding the United States relationship with Native Hawaiians and to provide a process for the recognition by the United States of the Native Hawaiian governing entity; to be followed by an oversight hearing on trust reform.
SR–485

10 a.m.
Banking, Housing, and Urban Affairs
Business meeting to consider the nomination of Ronald Rosenfeld, of Oklahoma, to be a Director of the Federal Housing Finance Board; to be followed by a hearing to examine the state of the securities industry.
SD–538

Energy and Natural Resources
To hold hearings to examine the nominations of Patricia Lynn Scarlett, of California, to be Deputy Secretary of the Interior, and Jeffrey Clay Sell, of Texas, to be Deputy Secretary of Energy.
SD–366

Health, Education, Labor, and Pensions
Business meeting to consider S. 250, to amend the Carl D. Perkins Vocational

and Technical Education Act of 1998 to improve the Act, the Caring for Children Act of 2005, S. 172, to amend the Federal Food, Drug, and Cosmetic Act to provide for the regulation of all contact lenses as medical devices, the Patient Safety and Quality Improvement Act of 2005, and any nominations ready for action.

SD–430

Homeland Security and Governmental Affairs

To hold hearings to examine proposed budget estimates for fiscal year 2006 for the Department of Homeland Security.

SD–342

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans Affairs to examine the legislative presentation of the Veterans of Foreign Wars.

SH–216

MARCH 10

10 a.m.

Agriculture, Nutrition, and Forestry

To continue hearings to examine the reauthorization of the Commodity Futures Trading Commission.

SR–328A

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans Affairs to examine the legislative presentations of the Blinded Veterans Association, the Non-Commissioned Officers Association, the Military Order of the Purple Heart, the Paralyzed Veterans of America and the Jewish War Veterans.

345 CHOB

MARCH 15

9:30 a.m.

Armed Services

To resume hearings to examine military strategy and operational requirements from combatant commanders in review of the Defense Authorization Request for fiscal year 2006.

SD–106

MARCH 17

9:30 a.m.

Armed Services

To hold hearings to examine current and future worldwide threats to the national security of the United States; to be followed by a closed hearing in SH–219.

SD–106

10 a.m.

Commerce, Science, and Transportation

Oceans, Fisheries and Coast Guard Subcommittee

To hold hearings to examine the President's proposed budget request for fiscal year 2006 for the Coast Guard Operational Readiness/Mission Balance.

SR–253

APRIL 14

10 a.m.

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans Affairs to examine the legislative presentations of the Military Officers Association of America, the National Association of State Director of Veterans Affairs, AMVETS, the American Ex-Prisoners of War, and Vietnam Veterans of America.

345 CHOB

APRIL 21

10 a.m.

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans Affairs to examine the legislative presentations of the Fleet Reserve Association, the Air Force Sergeants Association, the Retired Enlisted Association, and the Gold Star Wives of America.

345 CHOB

SEPTEMBER 20

10 a.m.

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans Affairs to examine the legislative presentation of the American Legion.

345 CHOB